

AMERICAN TOPICS

Buchanan Expanding White House Turf
Mr. J. Buchanan is a spokesman for Presidents Ford, M. Nixon and Gerald Ford. He is enlarging his docket after returning last month to the White House as director of communications. The Washington Post says he will take the office of public liaison in his director. Faith Ryan, his attorney, leaves next month for a second tour as ambassador to Switzerland. The Post says Mr. Buchanan,



Patrick J. Buchanan

adding the liaison office to his functions, prevailed over Ward J. Collins, a White House political assistant. It says

Buchanan also stands a chance of taking over the town press operation of Michael K. Deaver, President Ronald Reagan's deputy chief of staff, leaves to join a public relations company in

Mr. Buchanan, 46, during his days away from the White House, wrote a syndicated column in what The Post calls the "no-prisoners pose." It has been speculated that his oratorical style has put him into Mr. Reagan's orbit — taunting tax-minded agressors to "make my day," for example, or comparing the Nicaraguan rebels to the Founding Fathers.

Well, no, says one old Washington hand: "More likely is it Reagan, with the election of the way, hired a speculator who would write the kind of column Reagan wanted to say."

Robot Takes

Harry Allen, 34, a worker at a factory crushed by a robot at Diecast Corp. in Michigan in July, was, according to U.S. government and the auto industry association of America, "the first documented case of a robot-related death in the United States." A similar death at a Ford plant in Michigan in 1979 was caused by automated machinery. The robotics association says a robot can be programmed to do many jobs, an automated machine human one basic function.

The College Republican National Committee Fund has halted distribution of a poster urging private help for Nicaraguan rebels with the title "Save the 'Contras'" and the slogan, "Only \$3 cents a day will support a Nicaraguan freedom fighter." A spokesman said the mailings were stopped out of concern that they could damage President Reagan's chances for winning congressional approval for \$14 million in aid to the rebels.

Despite the current farm crisis, Wayne Rasmussen, the U.S. Agriculture Department's historian for the past 40 years, predicts that the family farm will survive. Big companies have found farming a relatively poor investment, he said, and "for the next 50 years we will have a system pretty much of the kind that we have now as far as family farming is concerned." Mr. Rasmussen did not dispute, however, a five-year-old departmental prediction that the 2.5 million farms in 1980 probably will drop to 1.8 million by the year 2000.

Three years ago the Silverdome at Pontiac, Michigan, played host to the National Football League's Super Bowl. This winter, snow and ice collapsed the inflatable fabric roof. A new roof costing \$8 million, with a heating system that instantly melts snow and ice, is to be installed.

Exciting Alternative To Kiddie TV Found

A Brooklyn kindergarten teacher named Edith Newman, in a letter to The New York Times, has taken issue with proposals to expand children's television programs to include art, science and drama.

She writes, "Our society's children, passively glued to the television screen, already lose out on something far more precious than 'low-cost supplemental education': they have little opportunity to develop their own creative, exploratory power."

"Parents and educators," she continues, "should be encouraged to turn off the television, providing instead a basic toy, like a large set of plain wooden building blocks, plus small human and animal figures. With such a toy, children can learn to master their environment in a deeply satisfying, intellectually active manner. This authentic, first-hand, confidence-building experience is called play."

— Compiled by ARTHUR EIGER

Republicans Would Freeze Arms Budget, Poll Finds

By Helen Dewar
Washington Post Service

WASHINGTON — House Republicans have indicated in a survey that they would vote to freeze military spending and Social Security benefits as part of a comprehensive U.S. budget freeze for next year.

The results of the survey, conducted by the House Republican leadership and reflecting the views of about two-thirds of House Republicans, could strengthen the hand of Senate Republicans as they try to negotiate a budget agreement with the White House.

Sharp cuts in the administration's military buildup and elimination of next year's cost-of-living increases for the program of disability payments and retirement benefits are opposed by President Ronald Reagan. But they are key elements of a deficit-reduction plan that the Senate Budget Committee approved this month.

Senate negotiators met Thursday with David A. Stockman, director of the Office of Management and Budget, and were to meet Friday with White House officials in an apparent escalation of efforts to reach agreement on deficit reductions. Negotiators said progress was being made.

Senate Republican leaders are pushing for a compromise with the White House but have indicated that they may move on their own if an agreement appears impossible.

Results of the survey of House Republicans, a copy of which was obtained by The Washington Post, showed a consensus for an across-the-board freeze with additional domestic program cuts, generally in line with those proposed by the Senate budget panel.

More preferred this approach to Mr. Reagan's proposal for a freeze in overall spending with differing cuts in specific programs.

Of all domestic spending cuts listed as options, only Mr. Reagan's proposal for a 5-percent cut for federal workers failed to gain support from a majority of House Republicans. It was opposed by 53 percent. The proposal also was rejected by the Senate panel.

A summary of the results indicated that 62 percent of House Republicans favored a freeze on Social Security benefits as part of a comprehensive freeze.

Three in four of House Republicans responding said they favored a freeze in military spending authority as part of a comprehensive budget freeze. The figure dropped to 61 percent for anything approaching a military spending freeze without comparable domestic cuts.

■ **Reagan Seeks Policy Shift**

President Ronald Reagan, proclaiming the "age of the entrepreneur," said Thursday that his administration sought a radical shift in government policy marked by tax simplification and reduced government spending. The New York Times reported from New York.

"We have lived through the age of big industry and the age of the giant corporation, but I believe that this is the age of the entrepreneur, the age of the individual," Mr. Reagan told students on the St. John's University campus in Queens, New York. He also visited the New York Stock Exchange.

Panel Disputes Its Own 'Contra' Vote

By John M. Goshko
Washington Post Service

WASHINGTON — Leaders of the Senate Foreign Relations Committee disagree strongly about whether their vote to prohibit use of U.S. foreign aid to rebels in Nicaragua actually bars such aid.

The committee chairman, Richard G. Lugar, Republican of Indiana, and Senator Claiborne Pell, Democrat of Rhode Island, the committee's ranking minority member, could not even agree Thursday on which of two versions of an aid amendment had been adopted by the committee Wednesday when it approved a \$12.8-billion aid bill for fiscal 1986.

At issue is whether the amendment, adopted by a 9-8 vote, prohibits agreements that would enable other countries receiving U.S. aid to give some of it to the guerrilla-fighting Nicaragua's leftist government.

According to the stenographic record, Mr. Pell said he wanted to offer an amendment "that might meet some of the objections because it is virtually the same as the Dodd amendment except that it does not prohibit the giving of aid to third countries that might in their wisdom, or lack of wisdom, want to assist the contra," or rebels.

Mr. Dodd asked, "As I understand it, what my colleague is doing is just taking out [the second paragraph of my amendment]."

Mr. Pell replied, "That is essentially what it does."

Later however, Mr. Pell said his amendment was not a truncated version of the Dodd proposal but

the confusion about what hap-

Space Litter Making Life Hazardous for Orbiting Visitors

By Thomas O'Toole
Washington Post Service

WASHINGTON — When the space shuttle Challenger returned to Earth with a cracked windshield in June 1983, engineers assumed the culprit was a micrometeorite — a tiny piece of cosmic dust that could have hit the windshield at 44,000 miles (71,600 kilometers) an hour.

But after examining the fracture pattern and trace elements in the crack, scientists concluded that whatever Challenger ran into was man-made.

The case of Challenger's windshield illustrates a serious concern among people who put spacecraft into orbit. So much debris litters the space lanes that it poses a major collision hazard.

Experts suspect that space collisions have destroyed at least two satellites — one American and one Soviet — and possibly a second American craft, all of which had been in good condition.

The world can expect a major collision in Earth orbit every 15 years, according to Donald J. Kessler, a specialist in orbital debris at the Johnson Space Center in Houston, Texas.

"If the debris keeps accumulating, the chances of collision are greater," Mr. Kessler said Thursday. "We might get to where we see a collision that breaks up an operating satellite once every 10 years."

Some 5,000 objects the size of a baseball or larger, each circling Earth at 17,500 miles an hour, are now being tracked in space. Only 200 to 300 are operating satellites. The others are old rockets, payloads, shrouds, fuel tanks or remnants of previous explosions and collisions.

A more serious threat are objects the size of golf balls estimated to number 40,000 based on counts by earth-based telescopes.

Even the third category of space garbage — tiny orbiting flakes, estimated to number in the billions — are potentially hazardous. They are the prime suspect in the case of the shuttle windshield.

The windshield crack was the first proof engineers had

that space debris was a growing problem. A more convincing case came when a later astronaut crew returned to Earth with parts of the Solar Maximum satellite they repaired in orbit last April. Mr. Kessler and his team found 160 small craters in the layered plastic insulation.

"Most of the holes we found in the plastic had been put there by man-made objects, either particles of paint or tiny pieces of metal that had punctured the plastic at anywhere from 15,000 to 18,000 miles an hour," Mr. Kessler said.

The number of man-made craters was two to five times

The most dangerous highways in space are those over the poles, used frequently by weather satellites.

what we would expect from meteorite hits," he added.

Mr. Kessler said much of the space debris comes from satellite explosions. Eighty objects have exploded in space since June 29, 1981, when the second-stage rocket of a Air Force payload blew up into 261 trackable fragments, 199 of which still circle Earth.

In addition, the second-stage engines of nine U.S. Delta rockets have exploded, scattering more than 1,400 fragments into orbits that most still follow.

Most space explosions have been of Soviet origin, including 19 explosions during tests of anti-satellite weapons. These tests have produced almost 1,000 pieces of debris from space collisions.

Between 1975 and 1983, the Russians deliberately destroyed 15 electronic surveillance satellites, leaving behind almost 600 "large" fragments.

At least two catastrophic collisions have occurred in Earth's orbit in the last 10 years. A U.S. balloon satellite named PAGEOS put into orbit in 1986 to make a geodetic survey of Earth broke up for no apparent reason in 1975.

The sun's strong ultraviolet light was a suspect, but careful analysis ruled that out. The prime suspects are any of the 1.62 billion metal needles put into orbit by the Air Force in 1962 and 1963 to see if radar signals could be bounced off them.

The needles were supposed to be released as single objects but entered orbit in clumps. They are in orbit at approximately the same altitude and inclination (88 degrees) to the equator as the destroyed PAGEOS satellite.

A second collision apparently took place on July 24, 1981, when the Soviet satellite Cosmos 1275 broke up — an event seen on the radar screens of the North American Air Defense Command.

A U.S. satellite named Landsat 4 was in the same "Bernuda Triangle" of space when it failed in 1982, leaving fragments in its wake that suggested a sideswiping collision.

The most dangerous highways in space are those over or near the poles. Most weather and reconnaissance satellites are put into polar orbits so they will travel over every spot on the globe every two weeks or so. Not only do these orbits converge on single points above the poles, but they contain a substantial share of Earth's satellite traffic and hence much of the debris from space collisions.

"The collisions and explosions have unfortunately taken place at fairly high altitudes, which means that most of the leftover debris will stay in orbit instead of coming down and burning up in Earth's atmosphere," Mr. Kessler said.

He is concerned that a collision could befall the occupants of the space shuttle or the permanent space station to be put into orbit in 1993.

"I worry about the space station because it's going to be so big, 10 times the size of the shuttle," Mr. Kessler said.

"But the shuttle worries me, too. We warn our shuttle astronauts on space walking missions now that a dropped wrench or even a dropped pencil could spell catastrophe to them or a crew following them in the same orbit."

East-West Talks Skirt Arms Control

Allies Gain Confidence at European Security Conference

By John Vinocur
New York Times Service

STOCKHOLM — The East-West conference on security in Europe is now at its midpoint, with many of the Western allies believing they may achieve some important goals by the time the meetings conclude in 1986.

The West considers that it has overcome its initial concern about the possible shape of an agreement, was President Ronald Reagan's speech in Dublin last June in which he expressed a U.S. willingness to affirm the principle of non-use of force. Until then, the West had said that such an affirmation would be redundant in the sense that it was already included in the United Nations charter and in NATO declarations.

The most striking proposal involves 45 days' notification for any out-of-garrison activity involving 6,000 men, for the mobilization of 25,000 reservists and regular troops, or for any amphibious activity with 3,000 combat troops.

The current arrangements, called for in the 1975 Helsinki accord, specify 21 days' notice and 25,000 men.

The change, according to Western officials, corresponds to the realities of Warsaw Pact exercises and would hamper the possibility of intimidation moves or surprise attack.

The proposals also go beyond the Helsinki provisions in guaranteeing the presence of observers at all exercises. The present agreement allows the countries to decide whether it will invite observers.

James E. Goodley, the U.S. delegate, acknowledged that inspection and verification would be areas where it would be difficult to get Soviet agreement, and a Soviet military delegate, General Valentin Tatarikov, already has ruled out the likelihood of Soviet acceptance.

The Western countries also have laid out proposals in six areas involving the exchange of military information, annual forecasts of military activities, notification of

military activities outside garrisons, observation of maneuvers, verification of compliance through inspection and establishment of hot-line communications links.

The first important development for the conference, signaling the possible shape of an agreement, was President Ronald Reagan's speech in Dublin last June in which he expressed a U.S. willingness to affirm the principle of non-use of force. Until then, the West had said that such an affirmation would be redundant in the sense that it was already included in the United Nations charter and in NATO declarations.

Moreover, some Western delegations feared that the discussion of non-use of force would open up what they consider other irrelevant issues being pressed by the Soviet Union, such as renunciation of force, but without specific relationship to the Western allies' insist on not part of the conference mandate.

Now, with arms control talks resumed in Geneva, the sessions have settled into their own rhythm. According to Jean-Pierre Ritter, the Swiss delegate, the conference has no particular dynamics of its own, but generally reflects the evolution of East-West relations.

In this context, Western delegations have reported serious conversations with their counterparts from the Warsaw Pact over the last few months, and now see the possibility that discussions on drafting a conference document could begin in the fall.

"You just don't hear the Soviets going on about Pershings and croissants here anymore, and that is good," said Klaus Citron, the West German delegate. "In some ways, seriousness has replaced propaganda."

The Stockholm meetings are part of the consultative process that has grown out of the 1975 Helsinki agreements. While the Soviet Union has focused on broad, declarative proposals involving the renunciation of force, the West has concentrated on what it describes as practical military and political measures that would lower the risk of war.

The relative optimism among Western delegations relates to the fact that acceptance by the Soviet Union of any of the Western proposals on bringing greater transparency to military procedures in Europe would represent a net gain to the Atlantic alliance. With the

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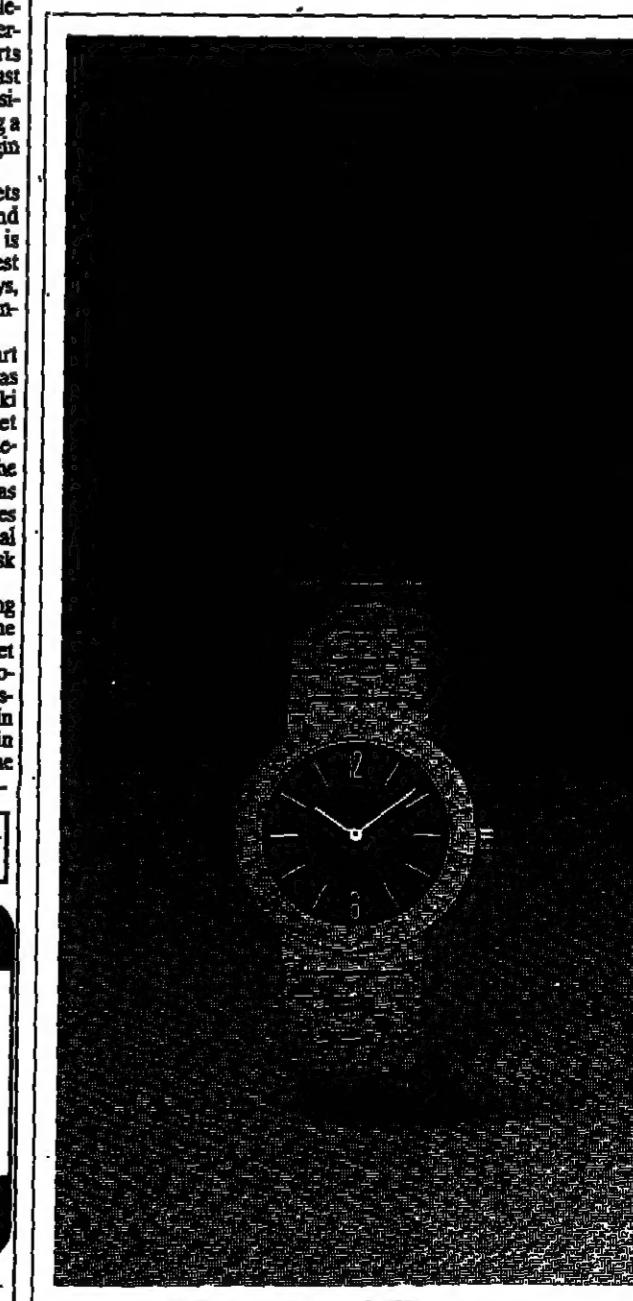
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The Lost White Tribe

Television coverage of South Africa's agony has made the principal actors, white, black and brown, comprehensible. It has underlined the message of prior press reports: the bafflement of a lost white tribe that cannot understand why Americans are so aroused. South Africa's leaders deserve a hearing, and an answer.

Look at our country, pleads the Afrikaners' president, P.W. Botha. It has problems, but a prosperous white minority has spread economic benefits to 21 million blacks, the healthiest and best paid in all Africa. Why kill this goose?

Racial injustice exists, he concedes. "Urban" blacks deserve some political rights, and further "reforms" are needed in the apartheid system that treats the majority of blacks as citizens not of South Africa but of tribal "homelands." Just give us time, he asks.

Yet Mr. Botha's nationalist regime cannot say how much time because it does not say and probably no longer knows where it is going. It deals politically only with blacks who accept the apartheid framework or will not press too vigorously against it. It deals no less harshly than it did a generation ago with blacks who ask to be consulted before their fate is decided. It muzzles them. It bans them. It shoots them.

Mr. Botha grieves for the victims, vows to uphold law and order and blames radicals for provoking bloodshed. But that will no longer do, precisely because South Africa's black majority is better fed and increasingly better fed. It is learning that its labor is vital to the whites' vaunted prosperity and that every promise of reforms reeks of paternalism.

Nor can the killings of unarmed demonstrators and the other outrages of institutional racism be mitigated by pointing to misgovernment in black-run African nations. President Botha is the first to ask that Afrikaners be judged for what they are — a proud, devout people of European origin whose forebears settled in South Africa before the American Revolution. Their claim to a common kinship with the West is what sharpens the very condescension that Mr. Botha deplores.

Racism is not unique to South Africa, and no Western society is without sin. But, after every allowance is made, South Africa remains the only country claiming Western values whose political system dishonors them and whose government stands forthrightly on the side of racism repression. Betraying the religious tenets underlying Western culture, it has made race the touchstone of political rights. And even now its leaders seek not to unite with the black majority but to expel it from South Africa to the tribal homelands.

How Americans might best help rescue this "Western" outpost from calamity is a hard question. But judging the essence of South Africa's present system is not hard. Secretary of State George Shultz used the right words the other day in reacting to the Uitenhage killings. They are repugnant, and the system that produced them is evil. With a forbearing president in the White House, the prodigal white tribe has had every chance to make its case to Americans. It needs now to listen.

— THE NEW YORK TIMES.

Geneva + MX = ?

The choice before the House of Representatives in considering the MX missile was posed in terms that many congressmen wished to revise or escape. But they could not avoid the terms — up or down, no conditions attached — and they made a close but sound decision in boosting the second batch of 21 MX missiles over their fourth and last parliamentary hurdle of this session. Cut now to Geneva.

There is widespread agreement that on its merits the MX would have crashed. Its fate was bound to pivot on the perceived probable effect of approval or rejection on the recently resumed arms control talks in Geneva. The Reagan administration acknowledged as much by bringing back the chief of its Geneva negotiating team for eleventh-hour lobbying, while the secretary of defense toured in Europe.

The issue admitted of different and equally conscientious answers, and certainly it was extremely politicized. For a swing bloc of legislators, most of them Democrats, the administration's insistence on needing MX to strengthen the president's Geneva hand, or at least prevent the weakening of his hand, added a painful extra burden. This group favors the idea of effective arms control as a tool of security but harbors strong misgivings about

Mr. Reagan's commitment to it. These legislators had to face the possibility that by voting for the missile they would help him to avoid serious negotiations and that in any event they would pay politically for their vote. With no little courage, they took the risk. Les Aspin, the Wisconsin Democrat who chairs the House Armed Services Committee, was their leader.

As a practical matter, it will take some time at Geneva for President Reagan to learn whether his MX victory was worth the tremendous struggle he waged to win it, and for those who supported him to learn whether they were wise to do so. We think nonetheless, that a conscientious Congress could not possibly have cut off the president in these early-Geneva, early-Gorbachev circumstances.

There is a residual doubt about Mr. Reagan's approach to arms control — and a great deal more than a residual doubt about the Kremlin's. But there is also a residual awareness that the position of strength Mr. Reagan has built (with help from his predecessors and, in the MX vote, from some of his political rivals) and the image of strength he has fashioned for himself give the United States some special opportunities now at Geneva.

— THE WASHINGTON POST.

Méjico Sí, Argentina No

Mexico gets consistent and steadfast support from the International Monetary Fund. Argentina does not. Mexico has just reached agreement with the IMF on the next stage of economic adjustment to manage its foreign debts. But IMF loans have now ceased to flow to Argentina until at least the middle of the year, when resumption will be contingent on better progress by the government in bringing the country's accounts into balance.

Mexico has put itself through a time of severe austerity that is beginning to produce hopeful results. The country is moving back toward normal financial relations with the rest of the world, and the economy is beginning to grow vigorously again. But Argentina has never quite come to terms with the need to bring its accounts into better balance. One reliable indicator of the slippage is its annual inflation rate, now around 800 percent and rising.

The difference between the performance of the two countries has less to do with technical economics than with their politics. Mexico is under a strong and self-confident government. Argentina is led by a promising but sometimes

uncertain administration that is trying to pull together a deeply divided people. There are not many countries in which the various classes and interests have fought as vehemently, or as destructively, over the past generation for their respective shares of the national income. Labor, industry and Argentina's swollen military establishment have all been dangerously successful in pressing their claims over the years, with the result that all of those claims add up to substantially more than the country produces. Inflation is the classic result.

It is the government's job to work out the compromises that will allow the country to live within its means. President Raúl Alfonsín evidently feels that, for political reasons, he cannot safely go much further to reduce incomes and consumption. But the IMF is telling him that he must go a lot further. The Argentines argue that conventional methods of reducing inflation are very hard on the poor. The answer is that the rest of the country — the middle class, business and especially the military — can properly be asked to share the costs.

— THE WASHINGTON POST.

Other Opinion

Papandreou vs. Enlargement

The admission of Spain and Portugal is necessary to fulfill the political purpose of the Community, which is the stability of Europe. The difficulty has been the threat of Andreas Papandreou's government to block enlargement unless he gets special funding for Greece's Mediterranean agricultural products. The best way to avoid a threat of blackmail is to give advance notice that it will not be paid.

— The Times (London).

FROM OUR MARCH 30 PAGES, 75 AND 50 YEARS AGO

1910: Asquith Attacks Lords' Power
LONDON — In a crowded House of Commons, the Prime Minister introduced [on March 29] the Government's veto scheme with regard to the House of Lords. Mr. Asquith proposed "that this House will immediately resolve itself into a committee to consider the relations between the two houses of Parliament and the extent of the duration of Parliament ... We should have, and should continue to have, in this country two legislative Chambers. We desire to see maintained in all its integrity the predominance of this House in legislation, while the House of Lords can exercise the useful functions of consultation and revision and of delay consistent with the predominance of the House of Commons."

— The Times (London).

1935: Berlin Admits Holding Jacob
BERLIN — The German government officially admitted [on March 29] that Berthold Jacob, the Jewish journalist of Strasbourg alleged by the Swiss government to have been kidnapped over the Swiss frontier near Basel, has been arrested by German authorities and is being held in Berlin for trial for military espionage. This is the first admission of Jacob's arrest by the German secret police, although the capture was effected three weeks ago. The communiqué states that Jacob, whose real name is claimed to be Solomon, was arrested while attempting to cross into German territory with a false passport. The Basel police, however, claim that Jacob was kidnapped by men in a motorcar as part of a six-month plot.

— The Times (London).

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Reagan Gets His America Moving Again

By Saul Friedman

This is the first of two articles.

NEW YORK — The least complicated explanation for Ronald Reagan's continued mastery of Congress and his opponents comes from a veteran and senior federal civil servant who wishes to remain anonymous. He offers it not to disparage the president but in gratitude admiration of his ability to take and hold the offensive as few presidents have done for so long.

Call it a "one arm, two arm" approach: The president lets it be known that he intends to ask for both your arms. The demands are leaked. Budget Director David Stockman, without confirming the leaks, sees no reason why government should subsidize both arms. White House spokesman play coy.

Liberals and moderates are appalled. Interest groups mobilize. Conservatives rally to the president's Arms Reform Plan.

The White House agrees to negotiate. And in the end, when Mr. Reagan decides that he will take only one arm, opponents sigh with relief and hail the compromise as a victory for moderation.

Alan J. Abramson, who helped to prepare a study of the president's governing techniques for "The Reagan Record," an Urban Institute report, said that the "most difficult question we wrestled with and were not able to resolve" was whether the president has succeeded through compromise. (The Urban Institute is a bipartisan organization that includes Reagan conservatives, liberals, educators, corporate heads and former cabinet officials.)

"You could say he compromises in the end, but it often takes him a very long time," said Mr. Abramson, "and it may be more sensible to say that by asking for a great deal and waiting, he gets much more than anyone expected him to get."

Once again this year Mr. Reagan has sent a budget to Congress calling for draconian cuts in domestic programs and for higher military spending. Democrats (and a few Republicans) are revolting at the domestic cuts. Republicans (and many Democrats) are mortified by the size of the deficits. Both sides have solemnly pronounced the plan "dead on arrival" and declared that they will write their own budget.

But in the weeks of haggling and handwringing that are ahead, the White House will hold its ground. Mr. Reagan's "dead" budget will quietly return to life and in the end the president will probably get much of what he wanted.

Thus Mr. Reagan's \$750-billion tax cut and his \$1.5-trillion military buildup remain largely intact despite agreement among most economists and key presidential advisers that those two policies have been responsible for most of the deficit.

According to the Urban Institute, Mr. Reagan has won more than half the domestic budget cuts he has sought since 1981 and is likely to do as well or better this year.

Social Security and its cost-of-living allowances, which were thought to have been untouchable, may have been touched. Like many of the working poor in previous Reagan years, family farmers now face the loss of federal protection from the wintry risks of the free market.

Programs to help provide health care for the middle-income aged and college educations for the children of middle-income families are now in doubt. And such agencies as the Occupational Health and Safety Administration, the Legal Services Corporation and the Small Business Administration, which have been at the core of activist government, are clearly not long for this world.

On other fronts, Mr. Reagan's

popularity remains high despite a policy failure in Lebanon and the loss of nearly 300 American lives.

The peace movement seems to be in a remission based on the hopes for the Geneva arms talks. U.S. aid to El Salvador continues. The president frankly acknowledges his intention to remove the Sandinist government in Nicaragua one way or another, despite heavy congressional opposition. Not since 1932 has there been such a redirection of public purposes.

Thomas Main, executive director of the American Political Science Association, has said: "What Reagan demonstrated is that under the right conditions ... you can make America get moving again."

The experts argue whether Mr. Reagan has really moved the nation away from the Roosevelt New Deal or merely curbed the excesses of such successors as the Great Soci-

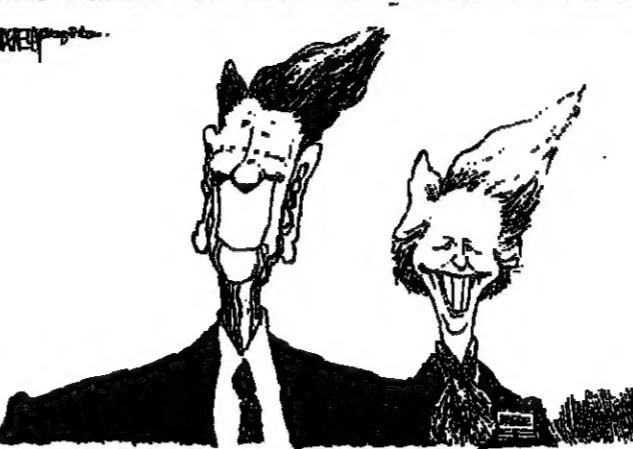
ety. The Urban Institute scholars are not sure how radical Mr. Reagan's redirection will turn out to be. Democrats tend to believe that Mr. Reagan's changes will not last much beyond his presidency or the next deep recession. Yet it is clear that he has changed the terms of debate and with it the national agenda.

In the budget battles, no one proposes adding new social programs; the discussion is over which to cut and by how much. There is no more talk of making absolute cuts in Pentagon spending; the argument is over how much to raise it. The fear of new Vietnams and the anger of a few years ago at covert CIA actions faded. Americans cheered the Grenada invasion or shuddered at U.S. military ventures in Latin America and the Middle East.

While the scholars and political experts search for the tactical secrets of Reagan success, it should not be overlooked that his greatest source of power is his continued popularity. For most politically active Americans men and women with education, homes and relatively secure jobs in white-collar industries, the Reagan programs appear to be working. Studies by the Urban Institute and the Congressional Budget Office find that the affluent have grown more affluent while the poor grew poorer.

Only a few years ago, such scholars as James MacGregor Burns and political operatives like Lucy Custer, the former Carter White House counsel, were convinced that the president had become paralyzed.

The writer, an associate professor of journalism at Columbia University, covered the White House for 19 years. He contributed this comment to *Newsday*.



Thatcher Coaches Post-Imperial Gusto

By George F. Will

LONDON — A paradox of modern politics is that some of the most effective leaders lead while looking backward. Churchill was a 19th century romantic. De Gaulle, enthralled with authorship of the Fifth Republic, had his gaze fixed on the sweep of past grandeur.

What happened to that vigor? She says there has been failure, especially in universities, to adapt to Britain's role after empire. The universities were fine at producing colonial administrators but have never adapted to the need to train people for trade and industry. This reflects

a "basic snobbery," the prejudice that "trade and industry aren't quite the thing as professions."

About that snobbery, she says, "It is the question of what it gives her when she sees it. About it she says, 'Oh, you mean this. Why should I care? These people don't belong to my supporters. And I thank God they don't.'

Her success derives in part from a second paradox: Democracy is government by consent, but one way to get consent from a majority is to be seen to care little for consensus. And it has made her a success — soon, an unprecedented success.

A constant complaint about democracy is that electoral cycles overrun the cycles of problems. By the time a government formulates and begins implementing policies, the pendular movement of opinion rearranges the governmental furniture, and the policies do not have time to be tested. In 1979 Mrs. Thatcher said she would need two full terms — 10 years — to change Britain's course, which meant combating snobbery and making other attitudinal changes. She may get more than 10 years.

In May 1987 she will break Asquith's record (1908-1916) for the longest consecutive residence in No. 10. In 1987 or 1988 she may become Britain's Franklin Roosevelt, the only leader since the early emergence of democracy — since, say, the 1832 Reform Act in Britain — to win three consecutive elections.

Various bishops are mixing theo-

logy and economics. Mrs. Thatcher has said: "Some reverend and right reverend prelates have been heard in the land. I make no complaint about that. After all, it wouldn't be spring, would it, without the voice of the occasional cuckoo?"

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— Washington Post Writers Group.

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ARTS / LEISURE

Paris: 'Wozzeck' Through a New Lens

By David Stevens

PARIS — One of the Paris Opera's great moments was the 19 production of Alban Berg's "Wozzeck" under the joint artistic leadership of Pierre Boulez, Jean-Pierre Bertrand and André Masson. Now, in the centenary year of the composer's birth, his first opera is back on the Paris stage, with undiminished power but seen through a different lens.

Whereas the earlier production wed close to a literal reading of text and the early-19th-century, rural, semi-military atmosphere of Georg Büchner's dramatized fragment, this new production — a team from the Deutsche Staatsoper in East Berlin, where it was recently staged — views the work more from the era of the composer, a century later, in a grim, aggressively collapsing urban escape devoid of any sign of hope.

In Hans-Dieter Schaal's sets, the main goes up on a concrete wall made by cramped cubicles and raw stairwells. As scene follows scene, the wall slides apart to reveal areas of vertiginously tilting skyscrapers, reminiscent of one of Frank Lloyd Wright's visions. As the stage approaches, the stage is littered in corporate not accounted for by text.

The sets are complemented by costumes of Marie-Louise and, all in dusty, anonymous grey except for the startling whiteness of Marie's dress and the cheapness of the revelers' garb in the beer-garden and tavern scenes.

In place of the dehumanizing life in town and small town, there is "casemizing" of daily city life, place of the disastrous effect of man and machine authority on one confused individual, there is the generalized social destructiveness of capitalism and the industrial revolution. If this does not always comfortably with the literal text, East Berlin production includes "dramaturgy" by Sigrid Neef, a confused subject that sees the man as a metaphor for urban isolation.

In her staging, Ruth Berghaus



A scene from Act 3 in the Paris Opera's new production of Berg's "Wozzeck."

(who in the 1970s was director of Bertolt Brecht's Berliner Ensemble and is the widow of the composer Paul Dessau) takes some not very convincing liberties with the book and performing tradition.

Wozzeck is far less submissive than usual toward his tormentors; even in the first scene, while showing the moralizing Captain, he wields his razor with the menace of a Sweeney Todd and behaves with unmistakable defiance. On the other hand, in the beer-garden scene, at which Wozzeck sees Marie and the Drum Major dancing, Wozzeck stoically suffers a bizarre, transvestite humiliation.

The piercing orchestral crescendo on a single note that follows the stabbing of Marie and pushes the psychological tension to an almost

unbearable point, is here made to coincide with the stabbing, effectively on a primary level but trivializing to a powerfully employed musical device. And the entire music for the open field of the second scene, and for the sounds of nature that so frightened the Captain and Doctor in the next to last scene, is undermined precisely by the absence of nature.

Although the three acts of the opera are self-contained musical entities, the work in this production is being played straight through without an intermission. The gain is enormous. "Wozzeck" lasts barely an hour and a half, shorter than Strauss' one-act "Elektra," and it is propelled forward so feverishly by the Expressionist intensity of Berg's music that a pause for reflection

or refreshment seems beside the point.

Christoph von Dohnányi's long familiarity with this music in the opera house and recording studio told in the sureness and apparent ease of his conducting, as well as in the rich-toned and confident playing of the Paris orchestra. It was a musical performance in which Berg's lyricism counted for as much as the hysterical outbursts.

In the title role the French baritone Peter Goutlich was vocally powerful but somewhat monochromatic, dramatically suggesting a controlled anger rather than tormented confusion, while Anja Silja, despite familiar vocal sturdiness in moments of stress, was convincing in putting over Marie's sexuality and wide emotional swings.

The veteran tenor Ragnar Ulfung and the bass Günther Mischaert turned in marvelously human caricature sketches as the Captain and the Doctor, and others in the uniformly solid cast included Allen Cauchet as the Drum Major (who swaggered convincingly despite the plainness of his uniform), James Hoback as Andres, John Fryatt as the fool, and Anna Ringart as Marie.

Further performances of "Wozzeck" at the Paris Opera are scheduled for April 2, 4, 5, 8, 11, 18 and 22.

Artist Hopes to Save Zanzibar's Stone Town

The Associated Press

ZANZIBAR, Tanzania — With a series of oil paintings and watercolors, John Baptiste de Silva hopes to draw the world's attention to the beauty and the sad decline of Zanzibar's old Stone Town, Arabian Nights maze of narrow, winding streets.

De Silva, 48, hopes to arrange exhibitions abroad of works depicting the district's unusual architecture.

Twice a year, rains drench the Stone Town, rotting the mangrove poles that support roofs and weakening the clay, stone and lime walls of the buildings, some of which date from the early 1700s.

Overseas interest in renovation has begun to be expressed. In January, for instance, Norway agreed to fund two-thirds of a \$750,000 project to rehabilitate a three-story building.

Further performances of "Wozzeck" at the Paris Opera are scheduled for April 2, 4, 5, 8, 11, 18 and 22.

Defiant Shippers Undercut Iraq's War Strategy

By Jonathan C. Randal

Washington Post Service

KUWAIT — The Gulf conflict shows no sign of ending after four and a half years, despite reported talks at peace negotiations, largely because neither Iraq nor Kuwait can stop the other from extracting oil to pay for the fighting. That remains the lesson of the tanker war that Baghdad ached a year ago hoping to force it to the negotiating table. Frustrated, Iraq has tried to achieve its war by stepping up air raids against civilian targets, and Iran has retaliated in kind.

A year ago, Iraqi warplanes began launching Exocet missiles at shipping within a 50-mile (81-kilometer) zone around the main Iranian facility at Kharg Island. Iraq had warned that ship within 50 miles of Kharg would be liable to a sea attack.

As the tanker attacks increased in spring, it was suggested that superpowers would intervene to stop the war rather than risk having to fight a spread and cause oil prices to rise.

But Iraq's plans to cripple Iran were thwarted by market forces and the surprising accommodation of some shippers to the dangers of sailing in the Gulf.



"It's hard to believe that millions of dollars worth of investment and the lives of seamen aboard tankers and other ships plying the Gulf are at risk," a Western diplomat said.

"But frankly, it's become a bore, a case of another day, another ship attacked. No one seems to care."

In a period of prolonged oil glut, Iran discovered that tanker owners were prepared to risk sailing to and from Kharg Island for a price.

Several weeks passed with no Iraqi attacks on tankers, which had proved less effective than originally

thought because crude oil does not ignite easily.

Ecologists, who had feared widespread damage from crude oil released from sunken tankers, began to relax. So far, only one tanker has been sunk and it was transporting refined products, which evaporate more easily than crude.

But with soaring insurance rates and salary premiums payable for every day shippers spent in the Gulf, Iran began granting big discounts to owners risking the Kharg Island run. That trade continues.

By November, Iran had also begun operating an oil shuttle with chartered medium-sized tankers between Kharg and Sirri Island, which is inside the Gulf but much closer to the Strait of Hormuz and well within air cover from the Iranian air base at Bandar Abbas.

The Islamic republic will not agree to a cease-fire in the war-fronts, said Hashemi Rafsanjani, speaker of the Iranian Majlis. "Iran is ready to accept a cease-fire involving attacks on oil tankers, passenger planes and civilian area."

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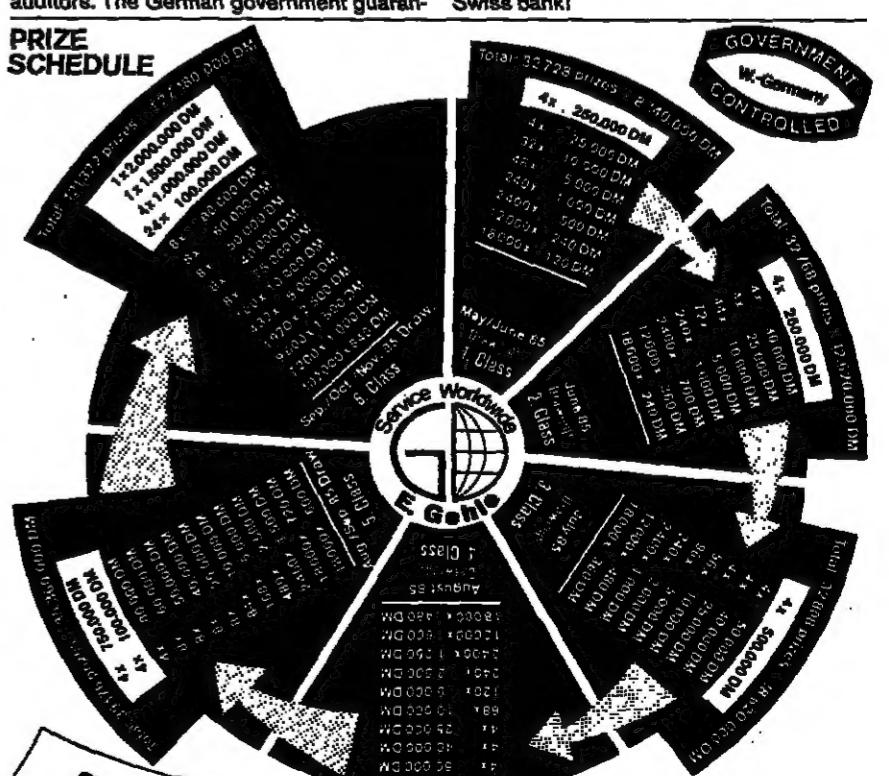
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"POSH" VERSUS "GOSH"

TO THE EDITOR OF THE TRIBUNE.

Sir.—The origin of the acronym "POSH" is widely known. Coined by the Victorians from the initials of the phrase "Put Out, Starboard Home" it got its present meaning from the fact that these were the cooler and more comfortable—more select—sides of the ship on which to travel to and from India.

However I have long felt there was something amiss with this sentiment.

It seemed to me that no true Victorian gentleman or lady would ever feel entirely at home aboard a ship that only served "posh" as a refreshment. Especially when that ship was bound for the land of quinine and tonic water.

So back to my hunch, I have spent many years researching intensely into that era.

I am now pleased to be able to publish the results of my enquiries.

It is apparent that shortly after the discovery of Bombay, "POSH" was superseded by "GOSH," as in "Gosh, I could do with a drink!" or "Gosh! That's smooth!"

Perhaps I should make clear that the BOMBAY I am referring to is, of course, the G.I.N.

It is a particularly fine gin with a delicate bouquet that is imparted by the botanicals used in its manufacture.

As it is claimed, it is indeed BOMBAY GIN's unique distillation that keeps one amused.

And that may explain the origin of GOSH. It stands for "Gin Out, Starry-eyed Home."

Dr. Hilary Snell M.A. M.C.

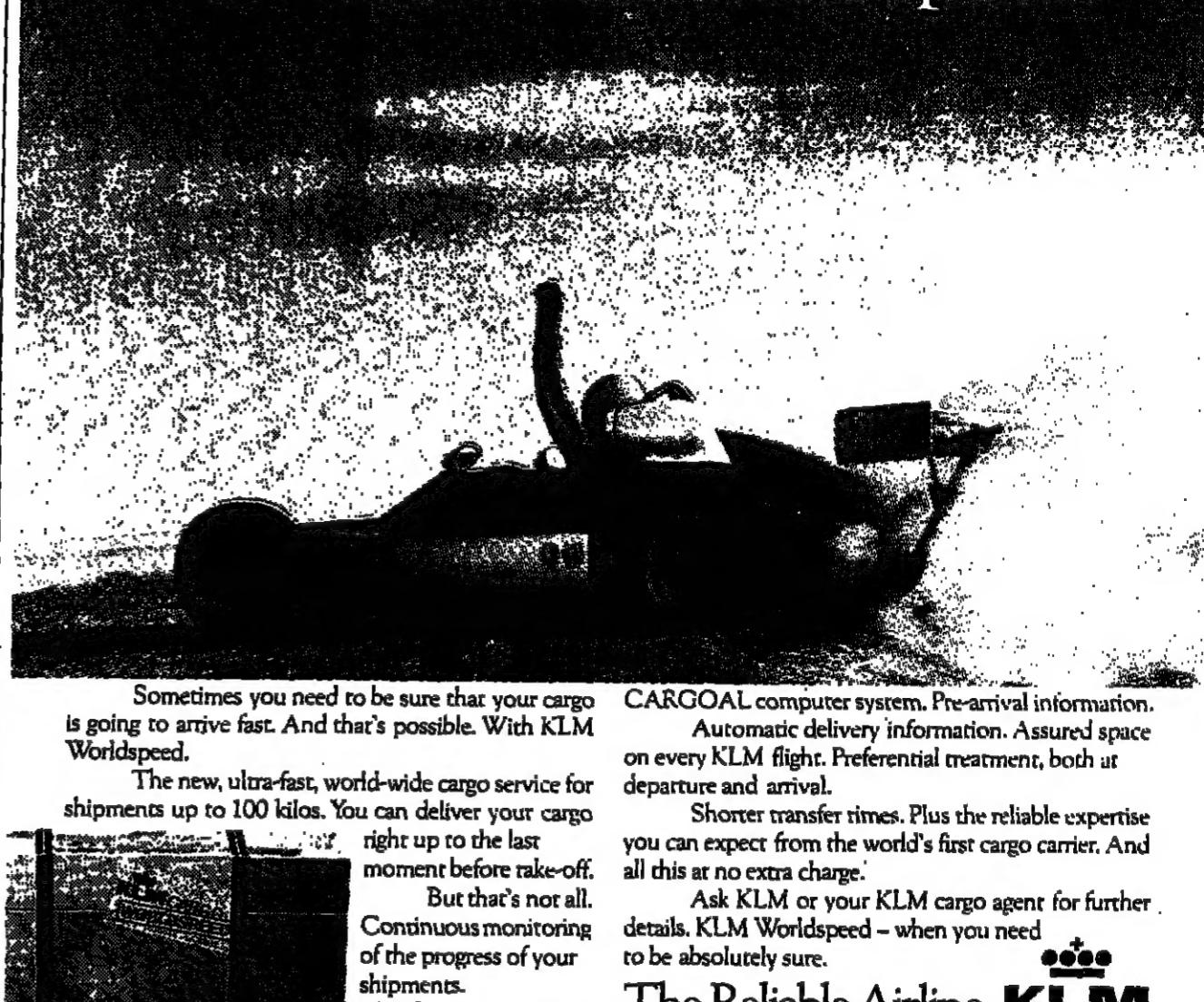
Theodolite College, Oxford.



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ARTS / LEISURE

Marc Chagall Dies at Age 97

(Continued from Page 1)

Max Vinaver, that Chagall was able in 1911 to go to study in Paris.

Meanwhile, Chagall enrolled in 1906 in the Imperial School for the Protection of New Art in St. Petersburg.

In developing his abrupt, foreshortened, topsy-turvy form of narrative art, Chagall owed much to the example not only of other painters but of Meyerhold, Reinov and other progressive theater directors. Himself destined to do much of his best work for the stage, Chagall grew up with theater all around him. (Even his future wife, Bella Rosenfeld, was attending lectures by Konstantin Stanislavsky when he first met her.)

By 1910 Chagall, at 22, had two paintings in an exhibition at the offices of Apollon, a leading art magazine in St. Petersburg. But, fundamentally, he was ready to take on a new challenge, and he persuaded his patron to stake him to a first visit to Paris, where he arrived in 1911.

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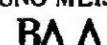
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A Sampling of Chagall's Images



"La Peintre au grand soleil" (The Painter in Bright Sunlight), 1979.



Self-portrait, 1913.



"Le musicien" (The Musician), 1922.



"Vue de Vitebsk" (View of Vitebsk), 1909.



"Crescent Couple," detail, 1951.

Impressionist Sales Make It Clear: The Well Is Running Dry

International Herald Tribune

LONDON — Sotheby's worst sales ever of Impressionist and Modern Masters took place Tuesday and Wednesday in an atmosphere of dismay. Even the high price of works that had to be bought in for failing to reach the vendor's minimum price — 29 lots of a total of 61 on Tuesday — does not describe the extent of the failure.

Not that Sotheby's stands alone

In this respect, Christie's auction earlier Tuesday was almost nonexistent. Its most salient feature was probably the record price paid for a work by Théo van Rysselberghe, a hanger-on of the Impressionist school who had neither an original vision nor any striking gifts as a draftsman or colorist. A landscape by him zoomed to an improbable £26,400 (\$106,000), a telling illustration of the thirst for the vanishing art of Impressionism.

Alfred Sisley's oeuvre was illustrated by a late landscape of 1892 that does not add much to his glamour. It is an oversized, sketchy picture postcard of the bridge at Moret, an old town on the Seine. Apart from its being featured in François Daniel's catalogue raisonné of Sisley's work, its merits are few. At £151,800, Sisley's postcard did not do badly.

The Renoir pieces in the sale were like caricatures of his work: looking at them, no one would suspect that he ever mastered the portrait of a buxom girl, Madeleine, with a rose in her hair and a bovine smile intended to be alluring, so thinly painted that the grain of the canvas shows through. Its vendor made killing at £268,400, but this will hardly enhance Renoir's name.

Adri two late Pissarros — one of women by a riverside after a swim, which went for £101,200, the other a view of the statue of Henri IV in the Pont Neuf in Paris, unsold at £130,000 — and that was it for Pissarro.

The lesson seems obvious: In the Impressionist field, which not long ago led the glamorous sales, supplies are running out. With Sotheby's and Christie's trying to put together sales in London and New York, the resources simply are not there.

In addition, French auctioneers are making a comeback. The more dynamic groups, such as Guy Loudmer and the Ader-Picard-Tarot team, are staging sales that look increasingly respectable. They manage to get very good prices, as more than one dealer could be overheard to remark at the Sotheby's and Christie's sales.

Only last week, on March 22, at Drouot, Loudmer sold a hastily sketched Vuillard interior scene, dated 1903, the view of Waterloo Bridge and the Thames just unites as a very beautiful picture. As the Sotheby's experts note in the catalog, it was painted, like others in the same series, from Monet's room on the fifth floor of the Savoy Hotel. "Many of the pictures were finished at Giverny from studies and from memory and were completed in April 1904," the catalog

log says. In this case, Monet's memory must have betrayed him, or perhaps he never bothered to finish the work. The hazy blur is almost indistinct to the eye and excessively thin in coloring. The hammer went down at £46,200, leaving it unsold far below the low estimate of £350,000.

Alfred Sisley also sold a great Connoisseur of the 1840s, a landscape with three children, for more than 3.5 million francs. It might have gone for even more in New York — American collectors are more susceptible to Corot's restrained romantic vein than are their European counterparts — but hardly in London.

More surprising than Sotheby's and Christie's poor showing in Impressionist art was the unimpressive sampling of 20th-century masters, which are still available in large numbers. A couple of ridiculous Chagalls — "Le Pont Neuf," dated 1933, and "Le Villagiste," dated 1973, bought in at £175,000 and £135,000, respectively — were unworthy of Sotheby's standards. Several Utrillo were no better.

This problem, the presence of bad paintings that looked too much like the unsalable leftovers of a dealer's stock, was compounded by the inclusion of paintings with exaggerated reserves. This can work in a good context, but become self-defeating in an unglamorous杂质.

A typical example was a large Cubist still life, done by Picasso in about 1915-1916, which has been reproduced many times. It was bought in at £1.1 million — one of two Picasso's unsold. It was clear that there were genuine bidders at close to £900,000: the painting simply was not attractive enough to sell beyond that limit.

The Picasso was followed by a pleasing but unimportant Braque still life that failed to sell, a Severini reproduced in the catalog but withdrawn from the sale — which also leaves an unpleasant impression — and then a big portrait by Egon Schiele, dated 1917. This is an important piece within the Austrian master's oeuvre, was by far the most important painting offered this week in London. The sitter was Kärl Grünwald, a textile manufacturer, art collector and dealer who supported Schiele. The portrait has that sinister edge to it that characterizes

so much of the artist's work. It carried an estimate of £900,000 to £1.2 million. Bidding proceeded slowly, in the gloomy atmosphere of an auction that is failing. As the hammer went down at £750,000 — £339,000 with the sale charge — one had a feeling that the auctioneer had let it go as soon as the reserve had been reached.

Could things have gotten better? Almost certainly not. Even Sotheby's, with its efficient, probably oversophisticated selling technique, and its powerful propaganda machinery, cannot transform dogs into masterpieces. The end of a cycle of abundance is in sight, not just for Impressionists but for most 20th-century masters.

Record Photo Price

The highest price ever paid for a photograph sold at auction, reported from London.

\$104,500, was given Wednesday Sotheby's in New York by Colm Forbes Jr. for a picture Abraham Lincoln and his son signed by Lincoln. The New York reported.

The six-inch (15-centimeter) photograph was made by Anto Berger at Matthew Brady's photography studio in Washington Feb. 9, 1864. It was among autographs and manuscripts by Elsie O. Sang of Chicago.

"Glass Key" Sold

The final 214-page signed script of "The Glass Key" by American writer Dashiell Hammett was sold Wednesday at Christie's to Minerva Rare Books £18,360, more than four times estimate, The Associated Press reported from London.

Richard Gere's 'King David'

CAPSULE reviews of films recently released in the United States:

"King David," about the warrior who made Israel a nation, is not a good film," says Vincent Canby of The New York Times. "As biblical epics go, it's a tiny bit more lively than George Stevens's

MOVIE MARQUEE

Greatest Story Ever Told," but, as good, old-fashioned, cornball entertainment, doesn't even attempt to compete with anything as riotously garish as Cecil B. De Mille's classic "The Ten Commandments."

Directed by Bruce Beresford, "King David" is done straight and chronologically, following the exploits of David (Richard Gere), his problems with Saul (Edward Woodward), once his father-in-law and Israel's king, but primarily David's wife and his honor-hunting yearning for Bathsheba (Alice Krige); and the matter of David's son Absalom.

Sheila Balsom of the Los Angeles Times disagrees with Canby, saying: "All these are extraordinary

bits of history, extraordinarily told, thanks to Beresford and writers."

"It's a shock to find Neil Simon attached to something as soundingly funny as 'The King David's Wife,'" says Janet Maslin of The New York Times. "Simon's new romantic comedy is good, a couple of mild chuckles at if none of them revolving around young couple at the heart of story."

Directed by Hal Asbury, the star Michael O'Keefe as Dr. Palmer, a baseball star, and Reba McEntire as Debby Music rock singer. Once Debby and Dr. Palmer have passed beyond their infatuation to begin a marriage, the concentrates on problems of commitment in a dual-career relationship.

This takes Debby out of the sun and shifts the focus to Dr. Palmer and manager (Reba McEntire), with whom he has much better rapport than with

Desperately Seeking Susan, directed by Susan Seidelman, a fable that involves, among unlikely things and people, a stolen earring that once belonged to Neferita, a gangster in Atlantic City; an earnest, tight businesswoman who sells jazz and hot tubs and who stars in her own cheery television commercials; a professional hit man; and mistaken identity. Film stars are Rosanna Arquette and the rock singer Mafonia.

Seidelman's principal tale, for bringing cocky character, life with great good humor and condescension, and she's as wily about life in the new bohemian new suburbia," says Vicki Canby of The New York Times.

"Desperately Seeking Susan" is full of funny, sharply observed



مكتبة من الأفضل

BERMUDA

A SPECIAL ECONOMIC REPORT

SATURDAY-SUNDAY, MARCH 30-31, 1985

Page 7

For Tourists, It's Beauty vs. Beastly Diseases in the Dollar

By Howard Rose

HAMILTON — Bermuda the

is now Bermuda the ex-

the Bermudian dollar held with the U.S. currency, the value of the dollar has made the island more attractive to vacationers than Bermudian tourists, who account for about 90 percent of visitors, are balancing the island's gains in high prices.

Minister Irving Pearson:

"Our tourism industry is

We have too few visitors

too few dollars. That is it

hell."

Number of visitors has fallen

from a peak of more than

in 1980 to fewer than

last year. Government

for tourist tax revenue

as much as 10 percent of

at 12 months as the decline

in has kept Bermuda pros-

ince the last century. The

spent freely, has given

colonial one of the

more than \$17,800.

ion into an economy with

million gross domestic

Nearly 10 percent of the

of 57,000 work in

12 guest houses, with thou-

are depending for their liv-

tourists eating in restaur-

drinking in bars and

is tourism and travel taxes

deemed to bring in more

million in 1984-85, with

duties accounting for

90 million more. A former

minister, Jim Woolridge,

that Bermuda, which spe-

a high-cost comfort for the

not for people earning less

1,000 a year.

U.S. recession plus the rise

in the dollar's value hit Bermuda hard. The fall in tourism has affected both residential hotels and the cruise ships that stop in the superb natural harbor at Hamilton, the capital city.

Mr. Pearson, who replaced Mr. Woolridge last autumn, has switched the island's formerly relaxed advertising style to hard sell. He has launched a program to make Bermudians more aware of the importance of tourism and more responsive to the needs of tourists. He recently authorized \$1.155 million for television advertising aimed at Bermuda's traditionally strong market in the U.S. Northeast.

David Afonsio, an accountant and a former chairman of the influential International Business Association, also cited a drop in the number of business visitors. "There is a noticeable trend toward doing business over the cheaper telephone, telex or facsimile equipment, rather than staying here," he said.

The hotels are worried by the tourist economy's performance and are holding down rates for the coming season — rates that were raised automatically by up to 10 percent

last year.

The president of the Hotel Asso-

ciation, Chris Szembeck, said:

"We've reached a level that's being

reduced by the consumer and we

can't increase our price like we've

done in the past. It's all about per-

ception of value for money."

The hotel Mr. Szembeck over-

sees, the 1,000-bed Pembroke Prin-

cess and the 1,500-bed Southamp-

ton Princess, are holding rates at

last year's level, between \$32 and

\$45 per person per night in a dou-

ble room, for the majority of cus-

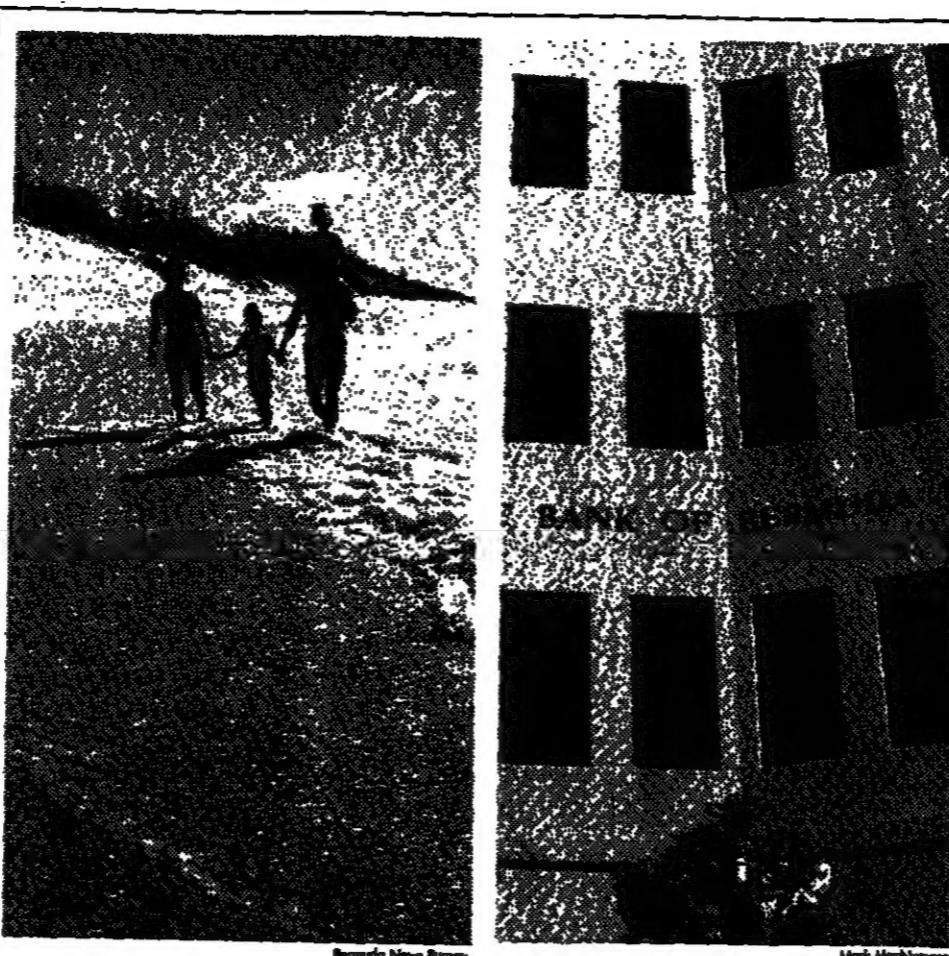
tomers.

The 900-bed Sonesta Beach has

spent \$1 million on upgrading but

is raising prices just 3.5 percent.

(Continued on Next Page)



Family vacationers enjoy the surf, left; the Bank of Bermuda in Hamilton, right.

Decline in Offshore Insurance

By Chris Morrison

HAMILTON — The halcyon

days of fast and uninterrupted

growth in the offshore insurance

business in Bermuda are over.

The island tax haven, the largest off-

shore insurance location in the

world, has seen major cutbacks in

the business, and more operations

may leave.

The idea grew rapidly and, aided

by U.S. tax requirements, a market

soon developed for the captives to

underwrite nonparent risks from

unrelated third parties. They did

this largely through reinsurance, a

process that enables large commercial

risks to be laid off, or appor-

tioned, and spread across a number

of participants.

With its good financial

structure, light regulatory require-

ments and accommodating tax en-

vironment, Bermuda was a magnet

for both captives and professional

reinsurance companies and bro-

kers, which were attracted by the

increasing amount of business that

was generated.

But the last few years have seen

insurance rates fall throughout the

(Continued on Next Page)

PAR FOR THE COURSE	
Par	Meters
Princess	54
Ocean View (9 holes)	35
Riddell's Bay	68
Belmont	70
Port Royal	71
Mid Ocean	71
Castle Harbour	71

The Port Royal Golf Course at Southampton Park.

An Island of Records, Especially for Golf

HAMILTON — In many ways, Bermuda

is an island of records, with the

most and most populous per capita in

the world. Although

is a self-governing British

in a British legal system

Westminster-style Parlia-

island's economic well-

being is largely due to

the United States is

to the United States is

by most Bermudians,

members of the opposition

the Labour Party, have

recently on two issues:

that the United

contingency plans to de-

liver depth charges to

in time of international

the fact that Washington

on its 99-year lease of

air station at St. David's,

it serves as the country's

The United States

and spends about

a year maintaining it

expands it

Introductions are required at Mid Ocean and

Riddell's Bay.

Princess is the shortest of the courses —

2,454 meters (2,678 yards) for par 36.

Ocean View is a nine-hole, par-35 course.

Fees range from \$10 for nine or 18 holes at

Belmont and a top-rate \$30 at Castle Har-

bor. House guests at Belmont and Castle

Harbour get cheaper rates and some of the

other courses offer cut-rate deals. The other

course, the Princess, is the same price

for residents and non-guests.

Only the Belmont and Mid Ocean offer

caddies but carts and/or whole sets of clubs

are available for hire at most courses.

Each course has a pro to give lessons for an

average of \$15 per half hour.

Port Royal, Princess, Riddell's Bay and

Mid Ocean are by the sea and all offer spec-

tacular views.

— HOWARD ROSE

United States has contingency

base for its airborne relay stations in

the event of nuclear war.

Bermuda's prime minister, John

W.D. Swan, wrote a letter to the

U.S. State Department, asking for

an explanation of the allegations.

In its reply, the department would

neither confirm nor deny the truth

of the stories but Mr. Swan was

assured that no deployments would

be made without permission from

proper authorities.

Yes, I was satisfied with the

response," the prime minister said.

"I am an alliance man, and Bermu-

da must stand with those that it

depends upon and with those soci-

A SPECIAL REPORT ON BERMUDA

Small, Conservative Financial System Resists Increase in International Banking

HAMILTON — The financial system that serves Bermuda's domestic and offshore companies is made up of three government-licensed banks, a tiny stock exchange — for trading in local companies only — a fully automated private commodities exchange and a sophisticated communications network. The entire system is a miniaturized version of the New York and London models, yet designed to Bermuda standards. It is high-technology, capital-intensive and with minimum labor and space requirements.

Three banks, with total capital and reserves of just over \$4 billion, may seem a small number to serve a whole country, as well as nearly 6,000 offshore companies. But, besides the small population, nearly

"A person who arrives at the teller's window with a suitcase full of cash is not welcome. We've tried to get that word around, and in the process, we've turned away a lot of people."

half of the offshore businesses are personal holding companies. There are about 1,125 local Bermudian companies.

Of the 5,412 foreign companies exempt from Bermudian participation requirements, only 193 own space and have staffs in Bermuda. The remainder are often not much more than names in a building directory.

A Prosperous Economy Is Moving to Diversify

(Continued From Previous Page) government spending, a freeze on the creation of new civil service jobs and delays in capital projects, including a planned sports stadium.

In his 1985-86 budget statement, Mr. James acknowledged that "our main problem in recent years has been a propensity to live beyond our means; the result has been an unwarranted increase in local costs, a deterioration in the balance of payments, and two successive budget deficits."

Perhaps the greatest danger to Bermuda's economy is that the cost of doing business might increase and consequently discourage the growth of the international business sector. Because of growing concern over the environment, political apprehension about bringing in foreigners and a continuing housing shortage, the government has sought to push international activity in the economy.

The government's overall strategy is to expand the economy in industries that are less labor-intensive than tourism. There has been a moratorium on building hotels since 1970. The idea is to attract wealthy offshore businesses looking for sophisticated communications and automated services, as well as certain tax and regulatory advantages.

However, some members of the international business community in Bermuda have expressed fears about protectionism and increasing business costs. The issue has come up within the last six months, partly because of new guidelines proposed by the Bermudian Monetary

gathers roughly 25 percent from overseas and 75 percent locally. Almost 80 percent of domestic profits come from the "exempt" companies, mostly captives and other insurance companies. Capital and reserves of Bermuda's three banks total about \$4.6 billion. The third bank is the Bermuda Provident Bank.

Besides the three banks, Bermuda's financial structure includes Intex, a private company that opened in October 1984 and is the world's first fully automated real-time commodities exchange. The system operates by inviting competing marketmakers to post bid and offer prices in gold, silver, U.S. Treasury bonds and freight.

"When fully operational," said David M. Thompson, general manager of Intex, "we expect to do some 70,000 trades an hour, and we will be open 24 hours a day to service Asian clients. The Chicago Board of Trade sells about 500,000 trades a day."

"We decided on Bermuda," Mr. Thompson said, "largely because there were no other exchanges here and because of its communications capability. This is also becoming a major business center and not just for insurance companies. That the Jardine Matheson conglomerate has moved its whole base of operations from Hong Kong to Bermuda is just one indication."

Intex is one of only three companies that have been permitted to do business in Bermuda by an act of the Bermudian Parliament. The company's revenues are taxed at a rate of 5 percent and the government hopes that the potential tax from Intex will reach \$450,000 a year.

But Intex's importance goes beyond its ability to attract capital to Bermuda. "Intex increases the volume of communications," said Donald P. Lines, chief general manager of the Bank of Bermuda. "The greater the volume, the cheaper the unit cost of communications and the more attractive we become as a financial center."

Last year, Cable and Wireless, a British company with a contract to provide all of Bermuda's external communications, installed a satellite system that will make it possible for Bermudian businesses to farm out labor-intensive white-collar processing work. Banks and insurance companies, for example, will be able electronically to transmit clerical work to wherever it can be done most inexpensively. The hope is that this capability will allow Bermuda to keep its comparative advantage as a specialized financial center.

Of the three licensed Bermudian banks, two, the Bank of N.T. Butterfield and the Bank of Bermuda, do about a third of their business outside the country, through subsidiaries in other banking centers. As for profits, the Bank of Bermuda, the country's largest bank,

— MARK MacNAMARA

Nevertheless, Bermuda is a bilingual country, which, although in many respects a model of race relations, still exhibits tension. Traditional sources of friction remain: the majority of the country's wealth and power is still held by whites, and a growing minority of blacks favor independence and fear that white foreigners will take away jobs, housing and land.

Colonel Gavin Shorto, a Bermuda Regiment commander, summed up the Bermudian character: "Bermudians are hardy and determined, and above all, pragmatic. They're like cats. There's something timeless about their ability to adapt and survive."

— MARK MacNAMARA



Offices of two banks in Hamilton.

'Offshore' With a Difference: Bermuda Neither Tax Free Nor 'Caribbean Haven'

HAMILTON — Bermuda is often thought of as a tax haven for offshore business because there is no corporate income tax and because of laws regarding confidentiality. The government is trying to change that image.

"It's the idea of a 'tax haven' in the Caribbean that the government is trying to change," said Robert Baker, chairman of the Chamber of Commerce's international companies division. "This is really a very proper little place, even stuff."

Bermuda is also not tax free, although the word "tax" is carefully avoided. The country earns a significant percentage of its total earnings from corporate fees, stamp and customs duties and hospital levies, which are contributions that citizens pay for health care.

Thought has also been given to an employment levy in an effort to get additional revenue from offshore business to offset the downturn in Bermuda's tourism industry.

In 1984, only one firm was added to the roster of companies. In addition, the volume of local expenditure by foreign companies has not recovered from the sharp drop in 1982-83. Part of the reason is that offshore companies have become increasingly sensitive to the high cost of doing business in Bermuda. "Bermuda must be very careful not to price itself out of the market," one insurance executive said.

The reason why so many companies have come to Bermuda over the years," said Mr. Baker, who is also president of the Hudson Insurance Co., "is not so much for tax advantages but for ease of formation and less onerous regulatory rules."

Although about 55 percent of Bermuda's foreign-exchange earnings comes from tourism, nearly 30 percent, or 19 percent of gross domestic product, comes from the proceeds of international business. And the gap is narrowing.

In the meantime, Bermuda's international business sector has grown substantially. The number of international companies registered in Bermuda has increased from 5,000 in 1980 to almost 6,000

it is much cheaper to open a company than here, is going after volume.

"But one of the trade-offs is that their computer services are virtually nonexistent. We're aiming at the

Ministry, can do business in country.

Exempt companies are not from taxes but from the government requirement that at least 60 percent of a local company owned by Bermudians.

There are 5,412 exempt companies in Bermuda: 1,176 insurance companies, 536 commercial trading companies, 773 shipping companies and 2,907 other firms in personal investment companies.

Insurance companies from United States, attracted by Bermuda's less regulated business environment, have become the big growth area in the country's international business portfolio.

Since the late 1960s the number of insurance companies has created tenfold.

Faced in the United States with certain reserve requirements, signed risk plans, guarantee funds for insolvency and rigorous internal Revenue Service scrutiny, insurance companies sprung up in Bermuda during the mid-1970s.

It was also during the early 1980s that medical malpractice and product liability premiums increased sharply in the United States, prompting many companies to seek themselves with their own insurance companies, called captives.

These captive companies sometimes derisively referred to as "innocent capacity" within the industry because of their unwillingness to underwrite uninsured risks, number about 65, including 1,176 insurance companies in Bermuda.

However, during the last months, captives have fallen hard times. A soft market, bad timing and high interest rates, which encouraged cash-flow underwriting, have contributed to a pung a few less profitable operations.

— MARK MacNAMARA

Offshore Insurance Business

(Continued From Previous Page) world, and markets such as Bermuda have suffered badly.

The image of the market has also been hurt because of the well-publicized scandal at Lloyd's of London. Allegations have been made that well over \$100 million was improperly diverted by some Lloyd's underwriters, with some of the money ending up in offshore locations like Bermuda.

The shakeout in world insurance markets has hit the estimated \$1.5-billion Bermuda insurance business particularly hard.

Two U.S. oil companies, Exxon and Chevron, have stopped their captive insurance subsidiaries, Arcon and Inso, from writing unallocated third-party risks. Another oil giant, Phillips Petroleum, earlier withdrew its captive, Walton Insurance, after major losses.

The cutbacks also include a number of medium-size concerns. The latest to go is Mentor Insurance, the captive of New Orleans

based Ocean Drilling and Exploration.

But Bermuda's problems do not stop at the underwriting level. In particular, the attitude of the U.S. Internal Revenue Service over the taxation of captives is causing increasing concern in many corporations.

The U.S. authorities are currently waging an aggressive campaign against the tax position of offshore captive insurance companies, arguing, for instance, in a case involving Mobil Oil, that captives are an "incredible tax-avoidance mechanism."

Captive managers are having to confront an increasingly uncompromising stance by the U.S. government, which suggests that when a company buys insurance from an insurer it owns, then there is no transfer of financial uncertainty outside the "economic family" of the corporation. Hence, a number of important tax deductions should not be made.

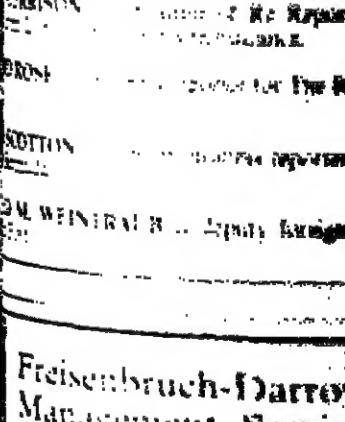
The story is the same down to the smallest guest house.

A series of hotels have had financial problems in recent years. The Coral Island's time-sharing plan collapsed, leaving 600 investors stranded and millions of dollars in court claims. The 276-bed Hamiltonian and 300-bed Castle Harbour have also both been in financial trouble.

But the biggest jolt for the government came when Holiday Inn sold its 1,300-bed operation in St. George, the old capital city a northeastern end of the island. Loew's Corp., which could make it pay, Club Med Inc., U.S. subsidiary of the French Middeterre organization, has agreed to buy the site and spent \$7 million on its development.

Club Med's permissive hotel image grates on Bermuda's conservative tourism trade, where wearing a swimsuit in street, however near to the beach, is illegal.

The government, however, had little choice but to accept Club Med if the St. George area of



St. George, site of Bermuda's settlement in 1612.

Beauty vs. Beastly Rise in the Dollar

(Continued From Previous Page)

The Stonington Beach is raising rates 6 percent for its 192 beds. "We really didn't think we could go much higher," the manager, Max Atherton, said.

The story is the same down to the smallest guest house.

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surplus relief programs innovation in reinsurance

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economic Concerns threaten Harmony between Races

HAMILTON — Racial friction in Bermuda is more a result of economic issues, such as the cost of living and the lack of housing, than racial ones, although black anger only exists.

The prime minister, John W.D. Adams, is black, as are the ministers of finance, education, community affairs, cultural affairs, and health. However, leaders of the Progressive Labor Party, the largest opposition party, are vocal in their criticism of white foreigners, particularly professionals, who hold increasing numbers of jobs and buy land in Bermuda.

"Black here like the rest are going around the track, of being cared for," said D. Simmons, president of the Industrial Union, an umbrella organization for most of the workers in the island group.

The assumption is that the will run indefinitely."

In 1959, when Bermuda became a colony of desegregation, black was fired half a dozen times, mostly in 1961, during a general strike following the breakdown of negotiations between government and a hospital

There were incidents of harassment of tourists and Bermuda's police regiment was called though no shots were fired. British troops were flown in to disperse the crowd following the killing of two blacks, one of whom had been convicted of murder by the governor, Sir John Sharp.

The country, whose population is 10 percent black, has come a long way from the ugly days in the 1960s, when, on one occasion, a black prime minister of Barbados was not allowed to enter a whites-only Bermudian bar.

John Smith, a former member of the government who recently joined a group of dissidents within the Progressive Labor Party, criticized conclusions of a 1984 study signed by the government.

The perceptions about the of life, because "it threw and whites together and average."

"The conclusions would in much different had they been solely on black perceptions of life, because it is that although people are wealthier than ever before, they are working harder, those are not making it."

"The anger is more dangerous than it has been," he said. "In which blacks feel the pinch is in the tourism. As intense competition forces down hotel rates, shrinks for maids, busboys, waiters, who are mostly be average wage in Bermuda a week, yet rents, even in government-sponsored housing start at about \$500 a month."

In an effort to ease the housing crisis, the Government Housing Corporation has begun building new developments. The hope is that middle- and upper-middle-class families will move into the newer and more expensive developments, leaving their old homes for the less advantaged. But labor costs are high, productivity low and quality uneven.

A new one-bedroom apartment costs about \$100,000, with a mortgage of \$800 a month.

Moreover, 20-year mortgage money is hard to come by since interest rates are capped at 7 percent. The three local banks tend to invest as much money as possible outside the country.

In addition, crime in the black community has become a major concern: Burglary and purse-snatching have increased in the last two years, prostitution is on the rise and the use of drugs among young people is widespread.

Since 1980, reported crime is up almost 20 percent; convictions are up 50 percent.

A Royal Commission survey done last autumn on drug abuse among Bermuda college students showed that the use of heroin was more than double that among American students.

Mr. Down said crime is up almost 20 percent; convictions are up 50 percent.

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Mr. Down said crime is up almost 20 percent; convictions are up 50 percent.

Austin Thomas, former "shadow" minister of education in the opposition party, believes that the country's material wealth is causing a situation similar to one in many middle-class suburbs in Europe and North America.

The state of the economy is so developed that people have become accustomed to living beyond their means," he said.

"But the price they have to pay is not only a matter of having two or three jobs to afford all these luxuries, it is that parents aren't home to supervise their children. What we're seeing is a breakdown of the black family."

According to one government official, who asked not to be identified, "crime is a big problem. But the worst of it is that whites think many blacks approve of crime, and in fact, there are some blacks who think other blacks approve of crime."

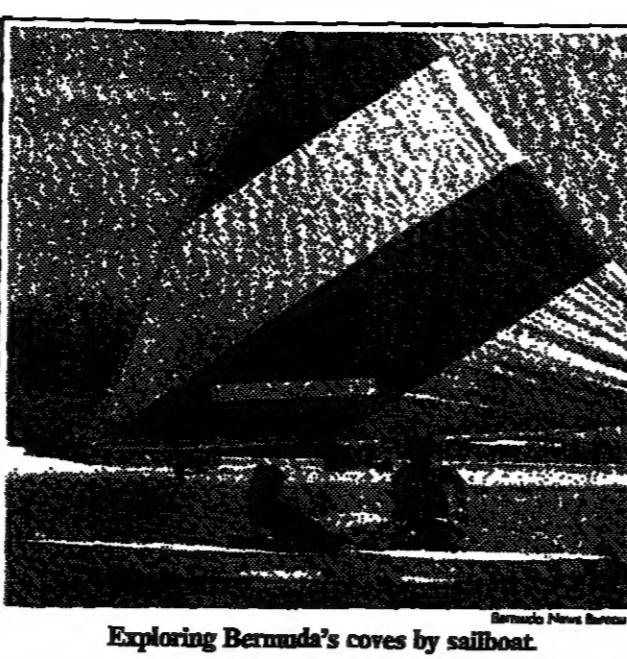
According to the 1984 study, most Bermudians are satisfied with their lives, their work and prospects for the future.

The minority of Bermudians who have what has been labeled a "syndrome of discontent" have more than one source of unhappiness.

Mr. Smith, who is black, believes that black Bermudians are "getting ugly."

He said: "The real appeal of this island is that it is a nice and friendly place. Once people lose that quality, no one is going to be able to train them to get it back."

— MARK MacNAMARA



Bermuda News Bureau
Exploring Bermuda's coves by sailboat.

Affluence Hampers Search for Housing

By Roger Scotton

HAMILTON — What does an acutely environment-conscious country do to avoid overcrowding when it has a population of 30,000 and less than 20 square miles (51.7 square kilometers) of land on which to house it?

The answer is to create more land and/or reduce the size of the population. Yet Bermuda has no plan to do either.

What it does do, though, is make sure that its housing problem is not aggravated by too many foreigners buying up bunches of affordable real estate — affordable, that is, by many Bermudians.

This is not to say that Bermudians are poor. One of the principal reasons that Bermuda has a housing problem at all is the increasing affluence of its people, who are no longer content to live in the households where they were born. This financial independence, coupled with a sharply increased divorce rate, has reduced the number of large households on the island, increased the number of persons living alone and boosted the overall demand for new homes.

Restrictions on car ownership have not helped the situation. Laws, which allow only one car per home, were intended to help control traffic growth. That this objective has been achieved is of little consolation to those who complain that the one-car-one-home rule has also stiffened competition for housing.

It is against this background that foreigners, or non-Bermudians, as the local population refers to them, find themselves negotiating their purchases of real estate.

The ground rules for sales to non-Bermudians are strict. They cannot buy undeveloped property and are restricted to houses with an annual rental value of at least \$37,000 or apartments and condominiums with an annual rental value of \$13,200 or more.

The annual rental value is a government assessment for land-tax purposes only and does not reflect possible rental income. Nor is there any official linkage, arithmetic or otherwise, between the annual rental value and the purchase price, which is decided by factors of supply and demand. However, few houses in the rental-value bracket will sell for less than \$650,000, and condominiums and apartments available to non-Bermudians will sell for about \$250,000.

Finally, government permission is required for any sale to a foreign national. This screening process, which is begun by applying through a local law firm and submitting personal and bank references, takes between four to six months and leads to the buyer's payment of a one-time government fee equivalent to 10 percent of the final purchase price.

The outlays do not stop there. Legal fees on the purchases of a \$1-million piece of real estate will range from \$12,000 to \$15,000, of which 60 percent is stamp duty — half a percent on the first \$100,000 and 1 percent thereafter. And annual land tax starts at 6.5 percent of the annual rental value on houses and 2.5 percent on condominiums.

Financing by one of the three local banks is available — for a price. The island's biggest bank, the Bank of Bermuda, for example, will lend up to \$250,000, but only for a period of five years.

But the overriding problem for many non-Bermudians buying property is not so much financial as finding the real estate in the first place. Of the approximately 22,000 homes here, an estimated 200 houses have an annual rental value qualifying them for sale to foreigners.

Of those 200, according to a real estate salesman, Andrew Down, fewer than 20 are currently on the market. And their average price tag, he says, is about \$1 million.

"That kind of money will buy a three-bedroom, three-bath house with a fitted kitchen and garage on possibly a quarter to a third of an acre of land, which will not necessarily have a water view," said Mr. Down, who works for one of the biggest companies in the business and is head of the Bermuda Chamber of Commerce's real-estate division.

Mr. Down said that Bermuda's real-estate market is worth \$75 million to \$100 million in annual sales.

Prices have risen dramatically. Houses that were going for \$35,000 to \$120,000 a decade ago are now

An Electronic Link in NATO's Defenses

By Richard M. Weintraub

WASHINGTON — Once a British outpost on the doorstep of North America, then a way station for the convoys that provisioned an alliance in World War II, Bermuda has been transformed into a critical link in modern-day electronic defenses of the North Atlantic Treaty Organization.

Hard by the island's beaches, golf courses and yacht basins are air, naval and communications facilities that allow the United States to survey a wide arc of the Atlantic in a continuing cat-and-mouse game with Soviet submarines, according to diplomatic and military sources familiar with Bermuda's current strategic role.

Operating from the U.S. Naval Air Station at Kindley Field on Saint David's Island, the U.S. Navy's workhorse anti-submarine aircraft, the Lockheed P-3C Orion, can cover thousands of miles of the Atlantic on the critical submarine routes for the Soviet Fleet.

The anti-submarine squadrons of P-3Cs operate from Kindley on four or six-month rotational tours from their regular bases on the mainland.

While Britain closed its Bermuda naval dockyard and removed its military garrison in the 1950s, London still has responsibility for the island's defense and foreign policy and British ships and aircraft call there regularly, according to the British Embassy in Washington.

Mortgage money is in short supply for Bermudians. His own company's finance subsidiary will lend no more than \$100,000, depending on the borrower's ability to repay, and he thinks that selling prices are more frequently open to negotiation than at any time in the past.

And construction costs, he said, are running at \$110 to \$150 a square foot. The real-estate industry in Bermuda is "not as brisk as it used to be," he said.

It is the United States that has continued to develop military facilities on the islands, under a 99-year lease that began in 1941. Today, more than 4,000 U.S. military personnel and their dependents are counted among the island's 57,000 inhabitants. A contingent of 200 Canadian military personnel and dependents shares the U.S. facilities.

In addition to the naval air sta-

tion and other installations linked to modern electronic warfare, the navy continues to operate a small refueling station considered vital on U.S.-European runs by smaller surface vessels.

"It's minor compared to what it used to be in terms of numbers," said one military source. "But it's destroying making their way to the Mediterranean apart from a battle group must refuel and they can just make it from Bermuda to the Azores."

The air facilities in Bermuda serve a similar refueling role for trans-Atlantic flights.

Less widely discussed are the activities of two other installations on the islands: a National Aeronautics and Space Administration tracking station and what the navy calls its oceanographic research facilities.

The NASA station initially was placed on Bermuda reportedly to monitor launches from Cape Canaveral to the south. Whether it still performs that function is unclear.

The role of the oceanographic facilities was described as follows in a report on U.S. overseas

military installations prepared by the Congressional Research Service for the Senate Foreign Relations Committee:

The facilities "monitor various ocean phenomena, such as currents, and operate acoustic hydrophones planted offshore as part of a continuing navy program designed to provide more detailed information on the factors that comprise the ocean environment and affect the transmission of sound in the Azores."

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The role of the oceanographic facilities was described as follows in a report on U.S. overseas

intelligence plans since the mid-1970s to deploy giant nuclear depth charges to Canada, Iceland, Puerto Rico and Bermuda.

The weapons, known as B-57s, have the power of 10,000 tons of TNT.

When versions of the classified report were leaked to the press in Bermuda several weeks ago, it touched off a furor.

Ultimately, the reports prompted a State Department spokesman to say that it is "strictly NATO and United States policy never to comment or deny the authenticity of any alleged U.S. or NATO classified documents." He has added that no weapons would be deployed without the prior agreement of the host government.

British officials simply refuse to discuss the issue but other knowledgeable observers note that a weapon like the B-57 is unlikely ever to be used except perhaps as a last resort since it would disrupt, if not destroy, the highly sensitive underwater listening devices that are at the core of NATO's own defense system.

bases here, then we would like to negotiate a lease for those bases. That's the arrangement the Progressive Labor Party, believes that independence is inevitable and that the advantages would be substantial.

"One of the problems we have had in the tourism business is being unable to negotiate lower airfare rates against independence and only about 20 percent of the island's total population favors the idea. Those opposed argue that the country possesses neither the bureaucracy nor the government expertise to govern itself.

— MARK MacNAMARA

Nuclear Issues Complicate U.S. Relations

(Continued From Page 7)

Bermudian banks take pride in their "clean" reputation.

The notion of sovereignty is closely linked to that of independence among a growing number of black Bermudians. The prime minister has long been a proponent of the idea, although he denies having a timetable for its application. "We are living in a period," he said recently, "in which Bermudians are more and more aware of their effect in the world." Other black leaders believe that independence is the natural next step in the country's political evolution.

In addition to the naval air sta-



Private Independent and International

We offer highly sophisticated PRIVATE banking facilities including financial planning, asset management, and comprehensive personal and corporate trustee services. Our global investment management approach, backed by advanced communications and related systems, enables us to provide INTERNATIONAL investment portfolio management and custodian services on an advisory or fully discretionary basis to our customers, which include private individuals, multi-national corporations, pension funds, mutual funds, and unit trusts.

We are an INDEPENDENT bank established in Bermuda in 1859. The Bank is largely Bermudian owned with no dominant shareholder or group influencing our policies and sound judgment. This is particularly important in the evaluation of business and investment opportunities during times of uncertainty.

The Bank of Bermuda is an INTERNATIONAL in character offering comprehensive financial services worldwide from Bermuda and through subsidiaries in New York, Hong Kong, and Guernsey, Channel Islands with representation in London.

These characteristics, with an emphasis on global asset management and negligible international loan exposure, place The Bank of Bermuda Group in a unique position to provide specialized assistance to sophisticated private investors and multi-national corporations.



The Bank of Bermuda Limited

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BELVEDERE
INSURANCE COMPANY LIMITED

U.S. Futures March 29

Season High Low Open High Low Close Chg.

Grains

WHEAT (CBT) \$5,000 per bushel-dollars per bushel

4.05 1,232 May 1,274 1,257 1,252 1,252 +1.50

3.75 1,234 Jun 1,274 1,257 1,252 1,252 +1.50

3.76 1,234 Aug 1,274 1,257 1,252 1,252 +1.50

3.63 1,236 Dec 1,245 1,237 1,232 1,232 +1.50

3.56 1,236 Mar 1,245 1,237 1,232 1,232 +1.50

4.02 1,247 May 1,284 1,267 1,262 1,262 +1.50

Est. Sales 250 Prev. Sales 167

Prev. Day Open Int. 6,336 off 167

Prev. Day Open Int. 6,334 up 238

CORN (CBT) \$5,000 per bushel-dollars per bushel

3.30 1,267 May 1,285 1,267 1,262 1,262 +1.50

3.21 1,268 Jun 1,285 1,267 1,262 1,262 +1.50

2.95 1,269 Aug 1,274 1,267 1,262 1,262 +1.50

3.21 1,270 Dec 1,284 1,274 1,269 1,269 +1.50

3.27 1,274 May 1,286 1,276 1,271 1,271 +1.50

Est. Sales 250 Prev. Sales 215

Prev. Day Open Int. 14,042 up 149

Prev. Day Open Int. 14,042 up 504

SOYBEANS (CBT) \$5,000 per bushel-dollars per bushel

2.97 1,270 May 1,291 1,276 1,271 1,271 +1.50

2.95 1,271 Jun 1,291 1,276 1,271 1,271 +1.50

2.71 1,271 Aug 1,274 1,269 1,264 1,264 +1.50

2.70 1,274 Dec 1,284 1,274 1,269 1,269 +1.50

2.49 1,274 May 1,286 1,271 1,266 1,266 +1.50

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er-the-Counter

March 29

NASDAQ National Market Prices

dined from Page 14)

Symbol	Net	High	Low	3 P.M. Close
ABX	23	92.77	92.72	92.72
ABX	24	100.00	99.95	99.95
ABX	25	100.00	99.95	99.95
ABX	26	100.00	99.95	99.95
ABX	27	100.00	99.95	99.95
ABX	28	100.00	99.95	99.95
ABX	29	100.00	99.95	99.95
ABX	30	100.00	99.95	99.95
ABX	31	100.00	99.95	99.95
ABX	32	100.00	99.95	99.95
ABX	33	100.00	99.95	99.95
ABX	34	100.00	99.95	99.95
ABX	35	100.00	99.95	99.95
ABX	36	100.00	99.95	99.95
ABX	37	100.00	99.95	99.95
ABX	38	100.00	99.95	99.95
ABX	39	100.00	99.95	99.95
ABX	40	100.00	99.95	99.95
ABX	41	100.00	99.95	99.95
ABX	42	100.00	99.95	99.95
ABX	43	100.00	99.95	99.95
ABX	44	100.00	99.95	99.95
ABX	45	100.00	99.95	99.95
ABX	46	100.00	99.95	99.95
ABX	47	100.00	99.95	99.95
ABX	48	100.00	99.95	99.95
ABX	49	100.00	99.95	99.95
ABX	50	100.00	99.95	99.95
ABX	51	100.00	99.95	99.95
ABX	52	100.00	99.95	99.95
ABX	53	100.00	99.95	99.95
ABX	54	100.00	99.95	99.95
ABX	55	100.00	99.95	99.95
ABX	56	100.00	99.95	99.95
ABX	57	100.00	99.95	99.95
ABX	58	100.00	99.95	99.95
ABX	59	100.00	99.95	99.95
ABX	60	100.00	99.95	99.95
ABX	61	100.00	99.95	99.95
ABX	62	100.00	99.95	99.95
ABX	63	100.00	99.95	99.95
ABX	64	100.00	99.95	99.95
ABX	65	100.00	99.95	99.95
ABX	66	100.00	99.95	99.95
ABX	67	100.00	99.95	99.95
ABX	68	100.00	99.95	99.95
ABX	69	100.00	99.95	99.95
ABX	70	100.00	99.95	99.95
ABX	71	100.00	99.95	99.95
ABX	72	100.00	99.95	99.95
ABX	73	100.00	99.95	99.95
ABX	74	100.00	99.95	99.95
ABX	75	100.00	99.95	99.95
ABX	76	100.00	99.95	99.95
ABX	77	100.00	99.95	99.95
ABX	78	100.00	99.95	99.95
ABX	79	100.00	99.95	99.95
ABX	80	100.00	99.95	99.95
ABX	81	100.00	99.95	99.95
ABX	82	100.00	99.95	99.95
ABX	83	100.00	99.95	99.95
ABX	84	100.00	99.95	99.95
ABX	85	100.00	99.95	99.95
ABX	86	100.00	99.95	99.95
ABX	87	100.00	99.95	99.95
ABX	88	100.00	99.95	99.95
ABX	89	100.00	99.95	99.95
ABX	90	100.00	99.95	99.95
ABX	91	100.00	99.95	99.95
ABX	92	100.00	99.95	99.95
ABX	93	100.00	99.95	99.95
ABX	94	100.00	99.95	99.95
ABX	95	100.00	99.95	99.95
ABX	96	100.00	99.95	99.95
ABX	97	100.00	99.95	99.95
ABX	98	100.00	99.95	99.95
ABX	99	100.00	99.95	99.95
ABX	100	100.00	99.95	99.95
ABX	101	100.00	99.95	99.95
ABX	102	100.00	99.95	99.95
ABX	103	100.00	99.95	99.95
ABX	104	100.00	99.95	99.95
ABX	105	100.00	99.95	99.95
ABX	106	100.00	99.95	99.95
ABX	107	100.00	99.95	99.95
ABX	108	100.00	99.95	99.95
ABX	109	100.00	99.95	99.95
ABX	110	100.00	99.95	99.95
ABX	111	100.00	99.95	99.95
ABX	112	100.00	99.95	99.95
ABX	113	100.00	99.95	99.95
ABX	114	100.00	99.95	99.95
ABX	115	100.00	99.95	99.95
ABX	116	100.00	99.95	99.95
ABX	117	100.00	99.95	99.95
ABX	118	100.00	99.95	99.95
ABX	119	100.00	99.95	99.95
ABX	120	100.00	99.95	99.95
ABX	121	100.00	99.95	99.95
ABX	122	100.00	99.95	99.95
ABX	123	100.00	99.95	99.95
ABX	124	100.00	99.95	99.95
ABX	125	100.00	99.95	99.95
ABX	126	100.00	99.95	99.95
ABX	127	100.00	99.95	99.95
ABX	128	100.00	99.95	99.95
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ABX	132	100.00	99.95	99.95
ABX	133	100.00	99.95	99.95
ABX	134	100.00	99.95	99.95
ABX	135	100.00	99.95	99.95
ABX	136	100.00	99.95	99.95
ABX	137	100.00	99.95	99.95
ABX	138	100.00	99.95	99.95
ABX	139	100.00	99.95	99.95
ABX	140	100.00	99.95	99.95
ABX	141	100.00	99.95	99.95
ABX	142	100.00	99.95	99.95
ABX	143	100.00	99.95	99.95
ABX	144	100.00	99.95	99.95
ABX	145	100.00	99.95	99.95
ABX	146	100.00	99.95	99.95
ABX	147	100.00	99.95	99.95
ABX	148	100.00	99.95	99.95
ABX	149	100.00	99.95	99.95
ABX	150	100.00	99.95	99.95
ABX	151	100.00	99.95	99.95
ABX	152	100.00	99.95	99.95
ABX	153	100.00	99.95	99.95
ABX	154	100.00	99.95	99.95
ABX	155	100.00	99.95	99.95
ABX	156	100.00	99.95	99.95
ABX	157	100.00	99.95	99.95
ABX	158	100.00	99.95	99.95
ABX	159	100.00	99.95	99.95
ABX	160	100.00	99.95	99.95
ABX	161	100.00	99.95	99.95
ABX	162	100.00	99.95	99.95
ABX	163	100.00	99.95	99.95
ABX	164	100.00	99.95	99.95
ABX	165	100.00	99.95	99.95
ABX	166	100.00	99.95	99.95
ABX	167	100.00	99.95	99.95
ABX	168	100.00	99.95	99.95
ABX	169	100.00	99.95	99.95

ACROSS

1 Shade trees
5 Colony on the
Wing
10 Deceived
15 Kick
19 Celt
28 Debate
21 Incensed
22 — breve
23 AWN
25 EFT
27 Places where
brine is
evaporated
28 Amusing
30 Microphone
inventor
31 Barnah —
Van Buren's
bride
32 Certain spoons
33 Signs loved by
angels
34 A Burmese
group
37 Dais of opera
38 Adjective for
Everest
42 Stravinsky and
Sikorsky
43 ERG
46 Dep.
47 Henri, René et
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48 Auto part
49 Household god

ACROSS

50 Dusty or Home
Run
52 Period
53 TAU
57 River into the
Bay of Biscay
58 Became
insufficient
60 Titles for
Fatima's
descendants
61 Cultivated
62 Promote
63 Plant's tiny
opening
64 Kidney bean
65 Scrutinize
67 Chief Justice:
1874-88
68 Pilots' unusual
landings
71 Jack the
nipper
72 ERS
107 De Soto
contemporary
74 Styron hero
75 Erstwhile
money
Madras
76 A follower
77 Apiece
78 Beatles' meter
maid
79 Anchorman
Walker of
Boston
112 — job (this
puzzle)

ACROSS

80 ETC.
84 Postpone
85 Dutch province
88 Aztec Indians
89 Ecclesiastical
headwear
90 Sashes for
Pitti-Sing
91 Conclusion
92 Culloids —
Scotland
93 Frozen
desserts
96 Former Red
Sox ace
97 Grounds
101 OCA
103 ORT
105 Platform's
platform
106 Bore
107 De Soto
contemporary
108 Sybarite's
delight
109 Trampled
110 Pairs
111 Photographers'
developers
112 — job (this
puzzle)

DOWN

1 Roe
2 "Granada"
songwriter
3 Corn product
4 Glides
5 N.H.L. team
6 Christopher
and Percival
7 Moslem
officials
8 Rivers in W
Europe
9 Yenta, e.g.
10 Fail to follow
orders
11 Eurasian
range
12 Lose strength
13 Japanese
outcast
14 Pauli
15 Dismiss

DOWN

16 Agricultural
town in
Alberta
17 — strut, on a
plane
18 Relative of a
loch
24 City lights
26 "Is thy servant
—?"
II Kings 8:13
29 Rumble
32 Rio
33 Bake, as eggs
34 Ralph of
baseball's Hall
of Fame
35 Isben play
36 AES
37 Rio
39 ULU

DOWN

40 Cordwood
measure
41 Marked a
weight
reduction
43 Use muscle
power
44 Extreme
45 Rob Roy's
refusals
48 Rebelled
50 Scald
52 Palatinate, to
a Berliner
66 "Sesame
Street"
character
67 Hartmann,
e.g.
68 Bold women
69 Horner
Peter
70 —
55 Gush

DOWN

56 Horologe
59 March name
61 Sari
63 Surflets
64 Herd of seals
65 Palatinate, to
a Berliner
66 "Sesame
Street"
character
67 Hartmann,
e.g.
68 Bold women
69 Horner
Peter
70 —
55 Gush

DOWN

70 Fourth-day
creations
72 Chains
73 Miles and
Vague
78 Goes over
again
80 A flavoring or
medicine
81 Drugs
82 Trilopite's
Phineas —
83 Elated
84 Christian
creations

DOWN

86 Hit a high
curve at
Wimbledon
87 Explorer
Tasman
89 Mushrooms
resembling
sponges
91 Scandinavian
bay
92 Brawl
93 Defeat
94 Reputation

DOWN

95 — Minder-
binder of
"Catch-22"
96 Pompey's
mouf
97 Recipe abbr.:
Kerman is
98 Ovid
100 Eject
102 Skate

DOWN

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105
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112

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COP WORLD: Inside an American Police Force

By James McClure. 343 pp. \$16.95.

Pantheon, 201 East 50th Street,
New York, N. Y. 10022.

Reviewed by John Gross

JAMES McCCLURE is best known for a series of J.D. detective stories set in his native South Africa — he began his career as a crime reporter in Natal, though he now makes his home in England. Five years ago he ventured into nonfiction with the portrait of a police precinct in Liverpool, "Spike Island." A fine piece of reportage, it met with considerable success, and with the encouragement of his publishers he set out to write a parallel study of police work in the United States.

No easy task to arrange, particularly since he insisted on the same terms of reference that he had been granted in Liverpool — unrestricted access, free use of his tape recorder, enough time to go beyond first impressions, and the right to prepare a manuscript that would not be subject to editorial interference. A succession of metropolitan police departments turned down his request — some pleading pressure of work, others with the lofty response, "We do not cooperate with publications

BOOKS

that have a profit motive" — and the United States embassy in London ran into similar difficulties when it agreed to help him; but finally he struck with San Diego.

Once in California he was assigned to the Central Division of the San Diego force. Central is the smallest division in the city (only 30 out of a total of 392 square miles), but its officers have to cope with more than a quarter of the San Diego crime workload, and it offered McClure a rich array of excitements.

There was gang warfare in the barrio, a Ku Klux Klan rally, the policing of "The Flowerbed" (a Klan of gays patrolled by a plainclothes squad known to their fellow officers — cop humor — as the Pink Berets). A policewoman in Vice found herself arresting her old sociology professor.

Central Division also furnished a steady supply of those lesser miseries and disturbances that make up the staple of the crime statistics in almost every big city. As McClure describes a drunk being hauled off to "Detoxy" — the detoxification unit — for the umpteenth time, or a habitual minor offender drifting through his hopeless rounds, we seem to be in the archetypal city of W. H. Auden's poem, "where

the lonely are battered like pebbles into fortuitous shapes."

Yet if "Cop World" often deals with depressing material, it seldom makes depressing reading. In part this is thanks to the sympathy with which McClure draws out the men and women he talks to, and the skill with which he weaves together a lively narrative. In part it reflects the relatively benign atmosphere that prevails in the San Diego Police Department — or so his account suggests.

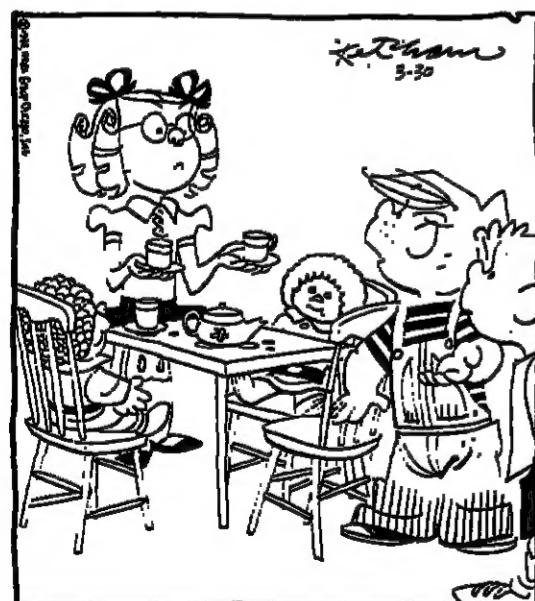
Certainly the department is a special kind of place. Since 1974, and more particularly since an enlightened chief, William Kolender, took over two years later, it has committed itself to a succession of sweeping reforms, acronymically summed up as COP — the Community Oriented Policing program. There have been changes in uniform, for instance (no insignia apart from badges, no more helmets under ordinary circumstances) as part of an effort to modify what McClure calls "that basic policing archetype, Macho Man." Ethnic minorities and women are better represented in the force than they were, officers are expected to be more knowledgeable about the beats they patrol, any member of the public who shows interest can get a place in a police car or a ride-along.

Is it all a little too liberal to be true? There are times, just occasionally, when you wonder whether you aren't being given a slightly sanitized version of the normal state of affairs, whether people didn't tend to be on better behavior than usual when McClure was around. But these really are no more than momentary doubts. McClure's testimony carries conviction, and so does by far the greater part of the testimony he has collected from the men and women in the San Diego force.

Their conversations with him touch on their personal ambitions, their families, the satisfaction they get from their work, the divided feelings to which it frequently gives rise. Blacks, Hispanics and women officers are forthcoming about the obstacles they have encountered.

As McClure points out, in comparison with the Liverpudlian comments he recorded in "Spike Island," the language used by the San Diego officers is lacking in color, and partly because of this "Cop World" has less humor in it as well. But in other respects it fully measures up to the standards of the earlier book.

DENNIS THE MENACE



John Gross is on the staff of The New York Times.

Solution to Last Week's Puzzle:

CHAP **WODAN** **AREAL** **JOB**
HOL **ERICA** **AMERICA** **ODE**
ANIL **ALOUS** **SONORA** **HEN**
BOCKUPON **THEHUDSON** **NAE**
TREASOIN **DENSE** **ELF**
DE **DE** **STINT** **DOPIS**
HAT **PLUT** **AHS** **VOLT**
ABUYS **TAPE** **ABLE** **ELIA**
MELIS **HOOT** **TOP** **AMIA**
ELLI **AMES** **EOD** **ELLI**
ESIN **BLAME** **SLATE**
EFFECT **AIL** **MIST** **LAP**
BARBARA **APOMEDEN** **CATA**
AMOR **OLEAM** **VAT** **GOED**
REMI **NCW** **BERE** **PERIOD**
ISLAM **AFORE** **ARTE**
ONE **MARIS** **REMOBDE**
DON **GROVE** **ORCLEVELAND**
OLD **AEATIE** **ALONE** **IDEIS**
EBO **LEBESER** **RICAH** **HILL**
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Previous: 1180.58

AMPCB/CBS General Index: 262.70

Previous: 264.00

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